NSW GOVERNMENT

Gate 1 Review: Guideline

Strategic Alignment

October 2024

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Introduction

1.1 Overview of the gateway review process

The *NSW Gateway Policy* (TPG22-12) sets out guidance and minimum requirements for the delivery and monitoring of Gateway Reviews in NSW. Gateway Reviews are independent Reviews conducted at key points, or Gates, along the lifecycle of a project and are important for providing confidence to the NSW Government (through Cabinet) that projects are being delivered on time, to cost and in line with government objectives.

Figure 1. NSW Gateway Framework
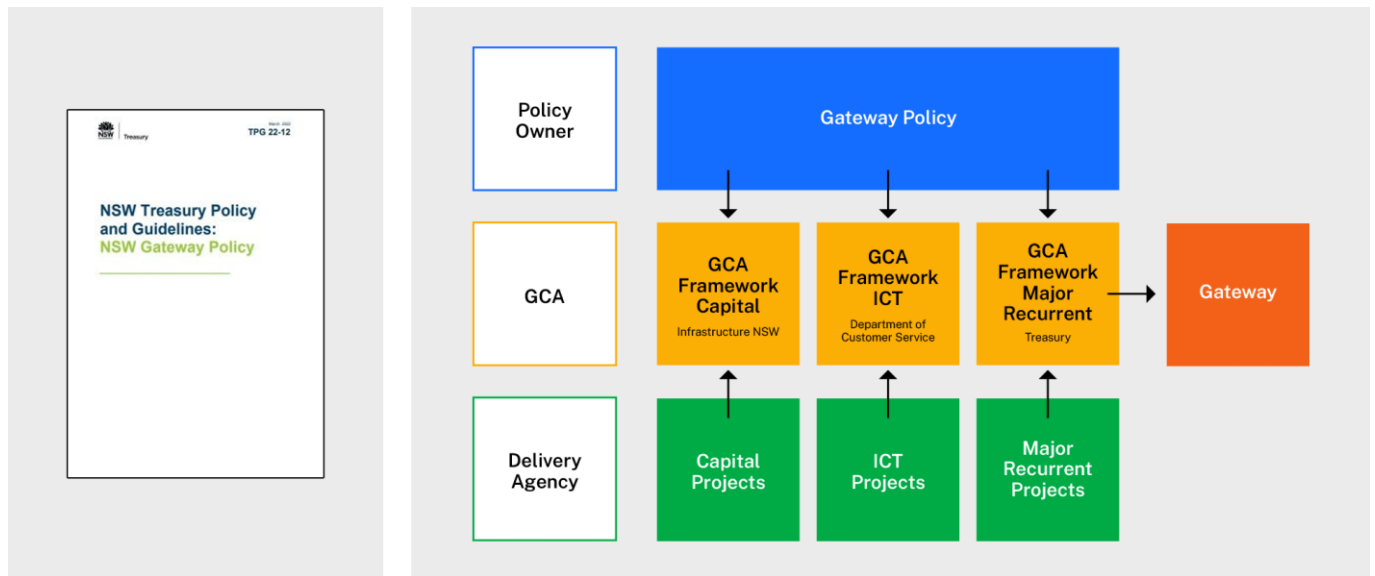
Figure 1 summarises the interaction between the NSW Gateway Policy, Gateway Coordination Agency (CGA Frameworks and delivery of Gateway reviews.

DCS NSW is the Gateway Coordination Agency (GCA) for the government's ICT capital projects and programs. As the GCA, Digital NSW within DCS NSW developed, implemented, and administers the Digital Assurance Framework (DAF). (See Fig1.) The roles and responsibilities of DCS NSW as well as Delivery Agencies, in relation to assurance processes are set out in the DAF. It is the responsibility of all Delivery Agencies to meet the requirements of the DAF.

Gateway Reviews is a key tool DCS NSW uses to complete a risk-based assurance approach for all large ICT projects and programs valued at or more than $5 million. The risk-based approach relies on an understanding of an agency's capability and capacity to develop and deliver capital projects and programs.

The outcome of each Gateway Review is a Review Report that includes commentary to inform the NSW Government. The Review Report also includes a series of recommendations aimed at assisting the Delivery (or Accountable) Agency to develop and deliver their projects and programs successfully.

Gateway Reviews can consider an individual project or a program consisting of a number of projects (incl. sector specific and place-based). For the purposes of this guideline, the use of the term 'project' also covers the grouping of projects into a program.

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1.2   Project lifecycle and gateway reviews

The diagram below (See Fig 2.) outlines the typical Gates, along a project's lifecycle stages where Gateway Reviews can be conducted:

Figure 2.

1.3   About this Guideline

This guideline assists review teams and delivering agencies working on Gate 1: Strategic Alignment of the Digital Assurance Framework (DAF) Gateway review process. This is a new Gateway Guideline and follows the same overall structure of the new DSIA single guideline design revised for Digital projects. It should be read alongside the 'Gate 1 Review Report' template which is available from https://www.digital.nsw.gov.au/policy/digital-assurance.
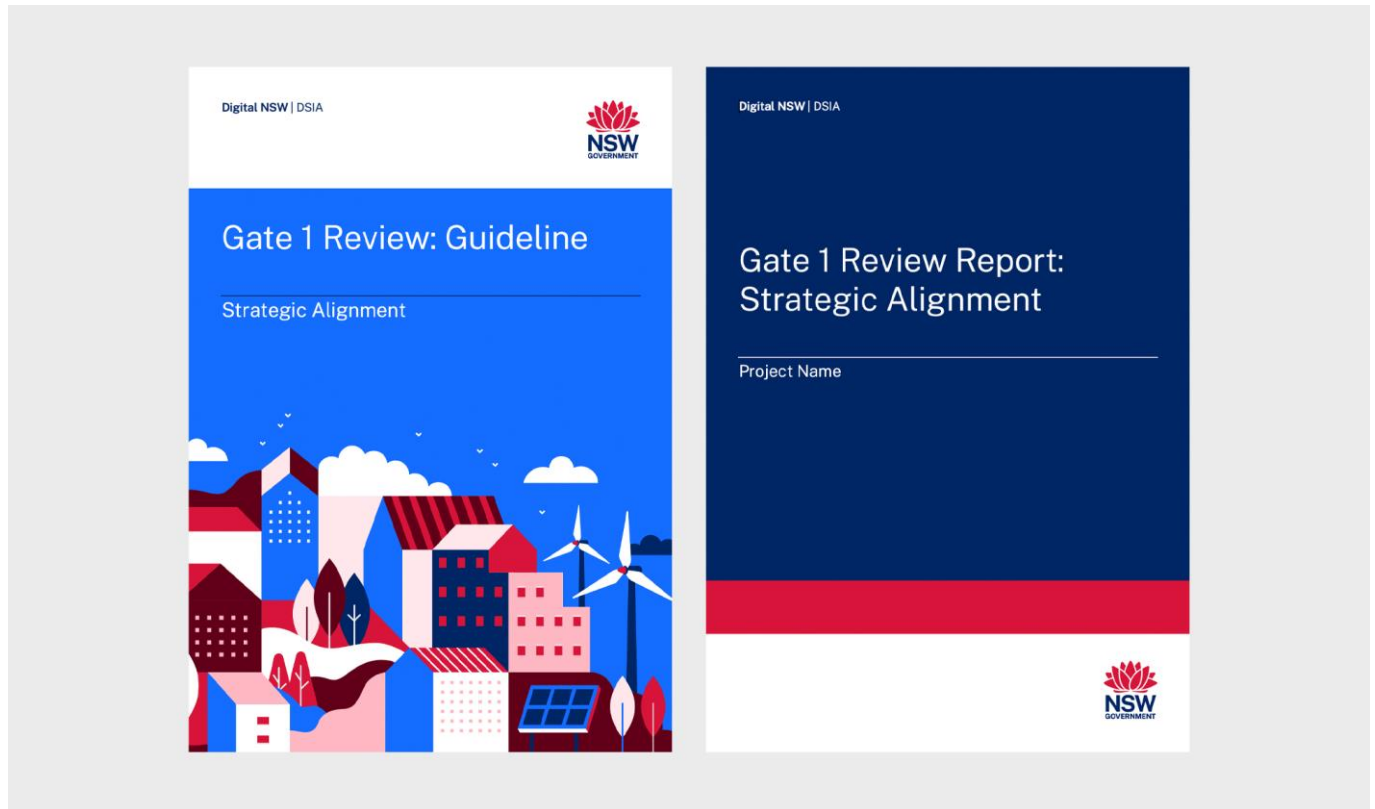
The Gateway Review process examines projects at key decision points (gates) and looks ahead to provide assurance that projects can progress to the next stage (or gate). This can also include health checks between gates.

Gateway reviews are independent peer reviews of a project's viability and development. Independent practitioners from outside the project examine the progress and likelihood of successful delivery at a certain point in each project – this provides a valuable new perspective on the project's issues, while challenging the robustness of plans and processes. The recent Digital Assurance Trends and Analysis report developed by Digital NSW has highlighted many of the benefits of applying the gateway review process. Looking back over the past 5 years the report has identified that project teams that engage early and regularly with the Gateway Assurance team, have had improved results and higher success rates than those that have had limited or no access to Gateway Assurance. The new Gateway assurance guidelines and approach emphasise close collaboration between Assurance, Sponsor and project team to help ensure maximum value is gained for the process.

1.4   How to use this Guideline

Gate 1: Strategic Alignment aims to provide assurance to the delivery agency that the project's business needs are defined and aligned with strategic imperatives, investment principles and enterprise architecture. It aims to test whether stakeholders' expectations of the project are realistic by referencing them to outcomes, resource requirements, timetable and achievability.

This Gate 1: Strategic Alignment review is designed to:

- Ensure the project contributes to the organisation's business strategy and to high-level NSW Government policy objectives and outcomes including Ministerial priorities and Digital.NSW policies;
- Assess the robustness of the Preliminary Business Case – whether it meets business need; is affordable and achievable; and explores appropriate options in order to achieve value for money;
- Confirm that appropriate expert advice has been obtained to identify or analyse potential options;
- ·Establish the satisfactory completion of a feasibility study or proof of concept and clarity around a preferred way forward, developed in dialogue with the market, where appropriate;
- Ensure the project is clearly understood and supported by users and stakeholders;
- Review the arrangements for leading, managing and monitoring the project (or individual projects of a program);
- Confirm internal and external authority, if required, and support for the project;
- Assess if major risks are identified, and risk management plans developed;
- Assess if the project will deliver its business goals and support wider business change, where applicable;
- Confirm that the scope and requirements specifications are realistic and unambiguous;
- Assess whether the scale, outcomes, timescales and impact of external issues are considered;
- Ensure articulation of high-level desired benefits, measures of success and a measurement approach;
- Check that financing has been adequately assessed for the project and that it has a realistic, properly resourced and authorised plan through to the next stage;
- Ensure there are plans for the next stage;
- Confirm planning assumptions and assess whether the project team can deliver the next stage;
- Confirm consideration of overarching and internal business and technical strategies; and
- Check for quality plans for the project and its deliverables.

This guideline details topics to be assessed and the evidence the review team should expect, in four key review scope areas:

- Policy and business context;
- Business Case and stakeholders;
- Risk Management; and
- Readiness for next phase: Business Case.

These key review scope areas will help to structure the Gate 1 report.

The guideline provides examples of evidence the review team should seek. This should not be considered prescriptive; each review team should consider if broader topics should be addressed, or different evidence required – this will depend on the context of the project.

Gateway Review guidelines support a consistent, structured approach to Reviews. The guidelines define roles and responsibilities during reviews and assist Delivery (or Accountable) Agencies and the Reviewer Team to properly prepare. DAF have remodelled their guideline and workbook into a single document for simplicity as part of the revision of the gateway assurance framework for Digital project/programs.

Part A: For agencies and the lead reviewer	
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• Guidance on how to initiate a Gate 1 Review • Documentation required	**Page: 33**
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• A summary overview of the Gate 1 Report purpose and process • Where to find applicable templates • Additional material for Reviewers including focus areas	**Page: 46**

1.5 Gateway reviews and agency assurance processes

The assurance process, including Gateway Reviews, informs the NSW Government (through Cabinet) on the development and delivery progress of capital IT projects. Recommendations and commentary emerging from Gateway Reviews also assist Delivery (or Accountable) Agencies to improve IT projects and assets, with a focus on adding value through the expertise and experience of the Reviewer Team.

A Gateway Review provides an independent snapshot of project status at a point in time. Gateway Reviews are **not an audit or replacement for a Delivery (or Accountable) Agency's internal governance.**

Every NSW Government Agency should have its own governance structures and resources in place to undertake internal reviews and regularly track and report on its portfolio of projects.

1.6 Why do gateway reviews?

The NSW Government requires visibility across the government's capital IT program and assurance that expected services and benefits will be delivered on time, to budget and in line with government policy. The Government also expects project issues and risks to be transparent, with Delivery (or accountable) agencies acting on and mitigating problems before there is an impact on the community and stakeholder outcomes.

1.7 Gateway review process principles

1.7.1 Digital Assurance

The Digital Assurance Framework (DAF) is an independent risk-based assurance process for the State's capital and recurrent Digital projects. It identifies the level of confidence that can be provided to Cabinet and Cabinet sub-committees that the State's ICT and Digital projects are being effectively developed and delivered in accordance with the Government's objectives.

The framework's key features (Fig 3.) are categorised under the following headings:

- Accountability
- Transparency
- Agility
- Support

Figure 3. Key features of DAF. See Digital Assurance Framework for detailed description.
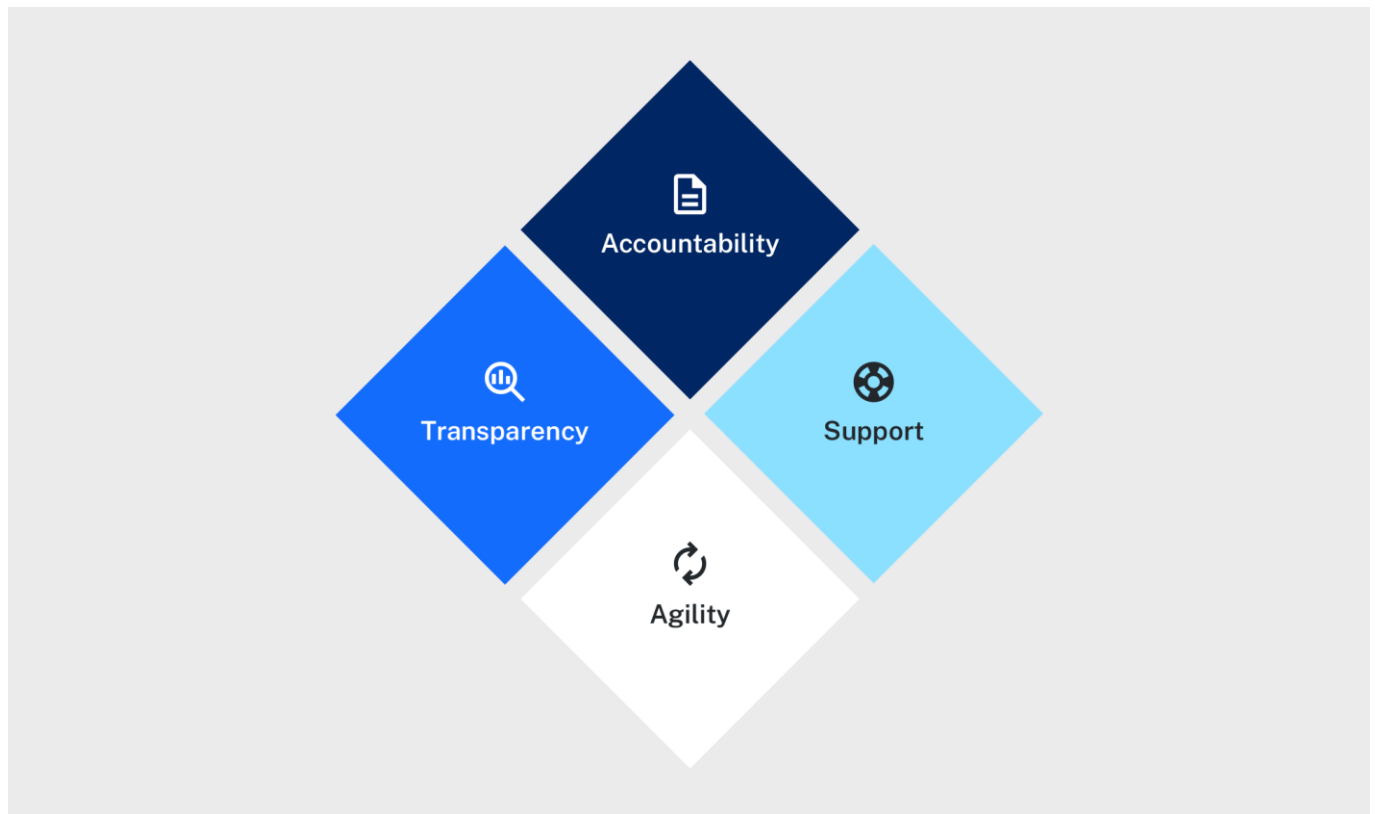
1.7.2   Gateway Review Process Principles

- The Review Team is selected for their skillset and as far as practicable to match to the project's type, needs, stage, scale and complexity.

- The guideline structure, Terms of Reference and report template are followed by the Review Team.

- All parties focus on value-adding to the project.

- Review Report commentary and recommendations are focused on practical issues and outcomes.

1.8   Conducting a Gate 1 Gateway Review

Follow the steps and timeframes shown in the table below:

Step	Activity	
1	**Entry Criteria** Prior to the Gate 1 or 2 the project must be registered in the ICT portal– DSIA, *this is a prerequisite for initiating a Gate 1 review. (It should be undertaken at least 6 weeks before initiating a Gate 1).* 6 weeks prior to the Gateway commencement date, the Delivery (or Accountable) Agency checks readiness of the project for the Gate 1 Review and contacts the Gateway Coordination Agency (GCA). *(Note the DCS Assurance team will also monitor the likely timeframe through the regular assurance catch ups each month.)*	**6 weeks + prior**
2	GCA Review Manager (Digital Assurance) and Delivery (or Accountable) Agency confirm the Review Dates. (Dates must consider key stakeholder availability including the Sponsor)	
3	GCA Review Manager appoints an independent Reviewer Team to the review. (As per the expert reviewer panel appointment process.)	
4	GCA Review Manager conducts a briefing with the Delivery (or Accountable) Agency to gain a common understanding of the project's status, identify any supporting documentation required and provide guidance on how to complete the Gate 1 readiness checklist template.	**1 Month prior** Preparation / Planning TOR
5	The Delivery (or Accountable) Agency complete the Gate 1 *readiness checklist template* with input from key Agency stakeholders. (New document to assist the Agency and DCS Assurance team to prepare for the Gateway.) A draft Terms of Reference (ToR) is also completed at this time by the GCA Review Manager (Digital Assurance), this is shared with the Agency to refine. *The project sponsor to agree/sign off.*	
6	The Delivery (or Accountable) Agency provide the Reviewer Team with the readiness checklist and provide supporting documentation to the allocated secure shared drive location.	**Finalise Plan and Conduct**
7	**Pre-Planning** GCA Review Manager meets with the Independent Review Team to jointly review the Terms of Reference for the Gate 1 and if additional documentation is considered then the request can be made for this as well the key interviewees.	
8	**Planning formal Kick off** This starts with the kick-off meeting where the sponsor and delegates outline the project to be assessed and any key background needed to provide context. High level run through of the Gateway process, roles and responsibilities Documentation requirements are confirmed, and interview are scheduled and confirmed.	

Step	Activity	
9	**Review Week** **Entry criteria** • TOR Approved, • All documentation is loaded and available to the team, • All interviews are scheduled and confirmed, MS Teams Channel for Review teams set up and tested. Interview week commences and the scheduled interviews are undertaken by the Gateways reviewers. Up to 18 interviews could be held over this time with the Independent Review team The Review team complete the interviews and maintain feedback to the sponsor daily or as deemed appropriate.	**Review week**
10	The draft findings are prepared using the Gate 1 Report Template. Noting the Scope items need to all be addressed including core areas of focus. The draft report is shared with Digital Assurance for initial QA Sponsors debrief is undertaken to outline the findings – this is a confidential meeting directly with sponsor. Report circulated to the Agency for fact check post Sponsor Debrief. Attention is to be given to Cyber, Privacy and now AI impact on the plan.	**Reporting**
11	Post Review survey sent out to Delivery (or Accountable) Agency, Reviewer Team and GCA Review Manager.	
12	Close-out Plan issued and managed by DCS ICT Digital Investment and Assurance (IDIA) Unit	**Post Review** Within 4 weeks of report issue Post Review Activities
13	**Post Review Activities** Record Critical and Essential issues for ongoing assurance follow up – note the Delivery (or Accountable) Agency will need to provide adequate evidence of item closure. Critical rated items need to be closed before the clearance letter can be issued. *This clearance can impact approval of funding.* Charge back to be completed and reviewer invoice payment completed.	

1.9   Review ratings

Following a Gate 1 Review, a Review Report is produced using the Gate 1: Strategic Alignment Report template. Recommendations made by the Review Team will receive a rating, indicating level of urgency for the project:

Rating	Criteria description
Critical (Do Now)	This item is critical and urgent, and action must be taken immediately. DCS will not clear this Gateway until this recommendation is actioned.
Essential (Do By)	The recommendation is important but not urgent – it should be actioned before further key decisions are taken. DCS will only clear this Gateway once it has approved a plan to respond to this recommendation.
Recommended	The recommendation is not critical or urgent, but the project may benefit from addressing it.

1.10   Delivery confidence level definitions

The review teams will provide an assessment of confidence status using the definitions below.

Rating	Criteria description
High	• Project has delivered outcomes and benefits against its agreed objectives, to time, cost and quality. Lessons learned have been considered, and anticipated benefits are being delivered and/or on track to being delivered; and • There are no outstanding issues that appear to threaten benefits realisation and/or plans for ongoing improvements in value, service enhancements and performance.
Medium-High	• Project has delivered most outcomes against its agreed objectives, to time, cost and quality. • Lessons learned have been considered, and anticipated benefits are being delivered and/or on track to being delivered; and • There are no major outstanding issues that appear to threaten benefits realisation and/or plans for ongoing improvements in value, service enhancements and performance.
Medium	• Project has delivered outcomes against its agreed objectives, to time, cost and quality; • Lessons learned have not been considered in their entirety, and/or there are risks that may threaten plans for ongoing improvements in value, service enhancements and performance; or • The benefit realisation plan of the anticipated benefits is not completed, the outstanding issues appear to be resolvable at this stage, if addressed promptly.

Rating	Criteria description
Medium-Low	• Project has delivered most outcomes against its agreed objectives, to time, cost and quality; • Lessons learned have not been considered in their entirety, and/or there are major risks/issues that may threaten plans for ongoing improvements in value, service enhancements and performance; or • Major risks and/or issues exist that threaten the realisation of anticipated benefits which, at this stage, do not appear to be manageable or resolvable.
Low	• Project has not delivered most of the outcomes against its agreed objectives, or had not delivered to time, cost and quality; • Lessons learned have not been considered in their entirety, and there are major risks/issues that threaten plans for ongoing improvements in value, service enhancements and performance; or • Major risks and/or issues exist that threaten the realisation of anticipated benefits which, at this stage, do not appear to be manageable or resolvable.

2

Part A:
For Delivery (or Accountable) Agencies and Reviewer Team

Background on NSW Gateway and the risk-based approach to project assurance

2.1   Overview of gateway review

Gateway Reviews are short, focused and independent expert Reviews into the progress and direction of a project at key points in its lifecycle.

Each of the seven Gates in the DAF occur at a point within a project phase, timed to inform government decision-making and project progression.

Bringing it all together, the relationship of the Gates to the project lifecycle stages and phases can be represented as:

Stage	Purpose	Scope	Health Checks
Portfolio review	Initiatives assessed using a value-based priority rating system to determine which initiatives should be developed.		
Strategy and Business Plan	Cluster or agency plan from which initiatives are formed.		
Planning			
GATE 0 Go / No-Go	Determine if the project aligns with Government and Agency priorities and whether the identified service need has merit and warrants further consideration. Assesses if there are sufficient governance processes and resources available to support the development of a preliminary business case.	• Affordability (ETC) • Government Priority • Criticality of service need / urgency • Strategic risk and compliance mitigation • Alternative solution • Whole of government impact / reuse /SDA	NA
You are here GATE 1 Strategic Alignment	Ensures the business needs for the initiative are clearly defined and aligned with Strategic imperatives, Investment Principles and Enterprise Architecture. Cyber, Privacy and AI implications are understood	• Policy and business context • Business case and stakeholders • Risk management • Readiness for next phase • Alignment to Government Enterprise Architecture • Assessment of Cyber, Privacy and AI compliance requirements	NA

Stage	Purpose	Scope	Health Checks
GATE 2 Business Case	Ensures that the business case is robust and there are plans to realise benefits and align with Strategic imperatives, Investment Principles and Enterprise Architecture. Demonstrated Alignment to Government Enterprise Architecture Funding model to operate is sustainable for whole of life Cyber, Privacy and AI implications are understood, and assurance addressed in the BC.	• Assessment of delivery approach • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Alignment to Government Enterprise Architecture • Assessment of Cyber, Privacy and AI compliance requirements	Potential for multiple or recurrent health checks and milestone reviews.
GATE 3 Pre-execution	Assesses the procurement and tendering approach, identifies problems early in the initiative and ensures plans for the delivery of the initiative are in place. Clear understanding that Vendor is capable of meeting the NSW AI Assessment framework and cyber security requirements – 3rd party assurance is now important to consider closely in these areas.	• Assessment of delivery approach • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Alignment to Government Enterprise Architecture • Approach maintains compliance with Assessment of Cyber, Privacy and AI compliance requirements	Potential for multiple or recurrent health checks and milestone reviews. Update status of risk profile for AI and Cyber may be needed.
Delivery			
GATE 4 Tender Evaluation	Evaluates the solution and preferred option prior to committing funds, ensuring that the initiative will be delivered effectively and checks requirements against milestones. Consider Vendor compliance requirements under new AI guidelines.	• Assessment of the proposed solution • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Approach maintains compliance with Assessment of Cyber, Privacy and AI compliance requirements	Potential for multiple or recurrent health checks and milestone reviews. Test leading indicators of problems to catch risks and issues early. Ensure appropriate measures and checks are in place for ongoing assurance.

Stage	Purpose	Scope	Health Checks
GATE 5 Pre-commissioning	Assesses whether the organisation is ready to adopt the solution to achieve the planned benefits stated in the business case and implement the change management required. Clearly defined sustainability of funding to deliver the system into the future in BAU including AI Monitoring, Cyber and Privacy checks.	• Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Cyber, privacy and AI compliance sign offs should be completed and the ongoing plan into operations clearly specified.	Potential for multiple or recurrent health checks and milestone reviews. Test leading indicators of problems to catch risks and issues early. Ensure appropriate measures and checks are in place for ongoing assurance.
GATE 6 Closure Review	Assesses whether the anticipated benefits are being delivered, lessons learned have been considered and plans for ongoing improvements in value, service enhancements and performance are in place.	• Review of Operating Phase including financial sustainability • Business Case and Benefits • Plans to improve Value for Money • Review of organisational • Review Organisational learning • Readiness for future • Risk Management over AI, Cyber, Privacy	Potential for multiple or recurrent health checks and milestone reviews.

Gateway system applies Gates and related reviews, such as Health Checks, to projects and programs at key milestones throughout their lifecycle as shown in Figure 4 below.

Figure 4. - Gateway Reviews throughout the Project Lifecycle (TPG22-12)

Project stage	Project phase	Gate	Gate name	Related reviews
Initiation	Need confirmation	Gate 0	Justification	Health checks and related reviews
Planning	Need analysis	Gate 1	Strategic assessment	
	Funding approval	Gate 2	Business case	
Delivery	Procurement and Delivery plan	Gate 3	Pre-tender / Pre-execution	
	Selection of service provider	Gate 4	Tender evaluation	
	Start of operations	Gate 5	Pre-operations	
	Achievement of outcomes	Gate 6	Post-implementation	

2.2　Gateway review process

The Gateway Review process integrates project development and delivery processes with informed decision-making. Each Gate has a clear purpose reflecting the increasing requirement for certainty as a project moves through its lifecycle.

The Gateway Review process also includes 'Health Checks' and 'Deep Dives', which are Reviews conducted at any point through the project lifecycle.

All Gates, Health Checks and Deep Dives include the involvement of an Independent Expert Reviewer, Review Team Lead and/or Review Team. These individuals are appointed by the GCA based on their independence from the project, experience and expertise.

2.3　Gate 0 – Project initiation

As project development is at an early stage in the project lifecycle, Gate 0 Go/No-Go Gateway Reviews have a relatively narrow focus compared to later Gateway Reviews and Health Checks. The Gate 0 Review is undertaken by the GCA's Gate 0 Committee shortly following the registration of the project. The Gate 0 Review focuses on how well the project fits with government priorities, the criticality of its service need and how well it is aligned to the Delivery (or Accountable) Agency's IT Asset Management Plan or framework.

2.4　Gates 1 to 5 – Project development and delivery

Gateway Reviews (Gates 1 to 5) are independent expert Reviews conducted over a short period. The structure of each of these Reviews is similar and focused on high value areas that have greatest impact on successful project development and delivery.

Seven Key Focus Areas support a consistent structure in undertaking Gateway Reviews and preparing Review Reports. Review Report commentary and recommendations are intended to address the Key Focus Areas, the Terms of Reference and be constructive in raising issues essential to the project's success.

2.5　Health checks and deep dive reviews

Health Check Reviews are similar to the Gateway Reviews (Gates 1 to 5) and follow the same format to address and rate overall delivery confidence as well as each of the seven Key Focus Areas. The customisation of the Health Check is achieved using the appropriate Health Check Guideline and Terms of Reference.

For some projects, Health Checks are conducted at regular intervals (every six to nine months) during the Delivery stage of the project lifecycle. Health Checks during other lifecycle stages are generally only conducted upon request by Government, the GCA, NSW Treasury or the Delivery (or Accountable) Agency.

Deep Dive Reviews have a limited Terms of Reference and do not cover the seven Key Focus Areas, instead they examine and report on a specific or detailed technical issue(s).

REGULAR PROJECT REPORTING

Regular project reports are submitted through the NSW Assurance Portal on either a monthly or quarterly basis, depending on the Project Tier, and focus on progress against time, cost and other risks.

PROJECT AND PROGRAM MONITORING

The GCA monitors projects and programs through regular reporting (including mitigation plans for projects at risk), close-out of the Gateway Review Report Recommendations and general day-to-day interactions with Delivery Agencies.

IMPROVING OUTCOMES

Digital NSW seeks to share lessons learnt and good practice across delivery agencies. A number of forums have been established to bring together practitioners to share their insight of the development, procurement and delivery of capital infrastructure projects and programs.

2.6 Gate 6 – Closure Review

The purpose of the Gate 6 Closure Review Report is to support the close-out of the delivery stage into operations and to assess the successful delivery of the purpose and benefits of the government's investment in the project. The Report is to be finalised four to eight months from the first operations commencement date.

Instead of the Review Team, the GCA appoints an independent expert Lead Reviewer to work with the responsible agencies to complete the Gate 6 Report. The Gate 6 Report follows a structured template. The most appropriate agency leads the preparation of the initial draft and then the review team finalises the draft content of the report, including the overall rating and recommendations. The Lead Reviewer then provides the Gate 6 Report to the GCA for review and finalisation.

2.7 Gateway review reports

The primary output of the Review is a high-quality written report which follows the appropriate GCA issued Report template. For Gate 1, the final draft of the Report template, the recommendations and recommended overall Review Rating are determined by the review team.

The primary purpose of the Review Report is to inform the NSW Government of initial operational status of the asset (following project completion) and key issues impacting functionality and benefits realisation. The Review Report, once finalised by the GCA, is provided to the NSW Cabinet. The Delivery (or Accountable) Agency is expected to act on the recommendations documented in the Review Report. Close out of recommendations is undertaken by the GCA's Asset Management Assurance team.

2.8   Report distribution

- Gate 1 Reports are Cabinet documents.

- The review team must not distribute copies of any versions of Review Reports directly to Delivery (or Accountable) Agencies, project teams or any other party.

- The review team sends the draft Review Report to the GCA for distribution.

- The Review Report must not be distributed outside of the Delivery (or Accountable) Agency until the report is finalised, including agency responses to the Review Recommendations.

- Copies of final Review Reports (including agency responses to the Review Recommendations) are only distributed by the GCA in accordance with the protocols outlined in the DAF.

- The final Review Report must not be distributed to any other parties unless directed by the Delivery (or Accountable) Agency Head or delegate of the GCA. No Report may be distributed outside the NSW Government by either the GCA or Delivery (or Accountable) Agency Head, unless permission is explicitly granted by the Government Chief Information and Digital Officer (GCIDO) or the Delivery (or Accountable) Agency Head.

- The Delivery (or Accountable) Agency Head or delegate, responsible for developing and delivering the project, may distribute the final Review Report at their discretion, having regard to the confidential nature of the Report – but this does not include outside the NSW Government.

2.9   Clearance of gate

Following the conclusion of the Gateway Review and the finalisation of the Review Report, the Delivery (or Accountable) Agency can request a 'Clearance of Gate' Certificate from the GCA. 'Clearance of Gate' will be determined by the GCA and granted by the NSW Cabinet.

The Certificate confirms the Gateway Review has been completed for a particular stage and that an appropriate Close-out Plan is in place to assist with project development or delivery. The Certificate is not a GCA endorsement of the project, only confirmation that development work on the project may continue.

To achieve a 'Clearance of Gate' the Delivery Agency must:

- Respond appropriately to the Review Recommendations (to the satisfaction of the GCA)

- Address all **CRITICAL** Review Recommendations (to the satisfaction of the GCA)

Delivery (or Accountable) Agencies do not have to request a 'Clearance of Gate' Certificate, but its absence does not negate the mandatory requirement on an Delivery (or Accountable) Agency to respond to and act upon the Review recommendations.

At Gate 1 the clearance letter may be important to gain funding approval, it is therefore important to ensure the Critical items in the report are adequately addressed with supporting evidence to expedite the release of the clearance letter.

2.10 What gateway reviews do not do

A Gateway Review is not an audit.

The Reviews are intended to be confidential and constructive, providing an expert assessment of a project's status.

Delivery (or Accountable) Agencies should note that Gateway Reviews will not:

- Represent a government decision in relation to funding, planning, approvals or policy
- Quality check or provide direct detailed assessment of management plans and project team deliverables
- Provide a forum for stakeholders or other parties to inappropriately disrupt the direction or nature of a project
- Provide a detailed mark-up of management plans and specific project team deliverables.

2.11 Roles applicable to Gateway Reviews

The typical roles within a Gate 1 – 5 Review are outlined below:

Role	Description
Assurance Governance Committee	The Assurance Governance Committee is a committee of NSW Government Secretaries chaired by the Chief Executive of Infrastructure NSW. This Committee reviews and endorses the GCA's regular assurance submissions. This includes the Go/No-Go recommendations to Cabinet by the GCA.
Gateway Coordination Agency (GCA)	The agency identified in the NSW Gateway Policy as responsible for the Gateway Review processes, procedures, advice and reporting for either infrastructure, recurrent or ICT projects.
	The Gateway Coordination Agency (GCA) administers the Gateway Review process for the nominated asset type (capital infrastructure, ICT or recurrent). The Head of Investor Assurance within the GCA ensures systems, processes and resources are in place to facilitate successful Gateway Review processes and outcomes. The GCA is responsible for providing reports, briefings and commentary to the NSW Cabinet on the outcomes of Gateway Reviews.
GCA Review Manager	The senior GCA representative responsible for guiding the implementation of the Gateway Review. The GCA Review Manager has Cabinet level reporting responsibilities for project assurance. The GCA Review Manager directs and manages the process of the Review but does not participate in the Review itself.
Delivery (or Accountable Agency)	The Delivery (or Accountable) Agency that is primarily responsible for the project or program at the various stages of the project's lifecycle. This agency is required to adhere to the Digital Assurance Framework (DAF). Can also be referred to as the Sponsor Agency.
Delivery (or Accountable) Agency Head	The Secretary or CEO of the Delivery (or Accountable) Agency responsible for the project.
Senior Responsible Officer (SRO)	The Delivery (or Accountable) Agency's nominated senior executive with strategic responsibility and the single point of overall accountability for a project. The SRO receives the Review Report from the GCA for action, is debriefed by the Lead Reviewer and the GCA Review Manager following the Review. The SRO may also be referred to as the Project Sponsor. SROs are not to contact the Lead Reviewer outside the protocols set by the GCA, including following the Review.
Delivery (or Accountable) Agency's Project Director	The Project Director takes an active part in the Gateway Review and assists in responding to the GCA Review Manager and Lead Reviewer's requests. The Project Director must ensure they and their team do not initiate contact with the Lead Reviewer outside the protocols of the Review. There is no 'informal' communication permitted.
Reviewer team	The Reviewer team is appointed by the GCA Review Manager. The Reviewer Team are responsible for the execution the review and the delivery of the final gateway report. The review Team Leader takes primary carriage for the report delivery, but the report is prepared as a team.
	There is no 'informal' aspect to Reviews and specifics of the Review Report commentary or recommendations are not to be discussed outside the protocols set by the GCA, including with Agency Heads or SROs.
	The Lead Reviewer has primary responsibility for delivering a high quality, consolidated Gate 1 Review Report using the appropriate template.

Role	Description
Stakeholder	Organisations, groups or individuals, either internal or external to government, that are impacted by the project and may be interviewed at the discretion of the Lead Reviewer.

2.12 Assessing risk in Digital Assurance

Each gate in the Gateway Review process requires the review team to assess a project's level of risk. Before the Gateway Process starts, each project is allocated a risk tier to quantify the level of assurance required. The risk tier – a rating between 1 and 5, with 1 being the largest and most complex – is determined through a self-assessment of risks and complexities which is then compared against estimated costs. The risk tier ensures there will be sufficient assurance to larger projects and less regulation for smaller projects.

Tier classification and assessment

Risk score	ETC ($m)					
	200+	>100-200	>50-100	>20-50	10-20	5-10<
4.0 – 5.0	Tier 1	Tier 1	Tier 1	Tier 1	Tier 1	Tier 2
3.0 – 3.9	Tier 1	Tier 2	Tier 2	Tier 2	Tier 2	Tier 3
2.5 – 2.9	Tier 1	Tier 2	Tier 2	Tier 2	Tier 3	Tier 4
2.3 – 2.4	Tier 2	Tier 2	Tier 2	Tier 3	Tier 4	Tier 5
2.1 – 2.2	Tier 2	Tier 2	Tier 3	Tier 3	Tier 4	Tier 5
0.0 – 2.0	Tier 2	Tier 3	Tier 3	Tier 3	Tier 4	Tier 5

The DAF Gateway Review process provides for a series of focused, independent expert reviews, held at key decision points in a project's lifecycle (as depicted in Table below - Application of Gateway Reviews and Health Checks under the DAF). The Gateway Reviews are appraisals of ICT and Digital projects/program, that highlight risks and issues, which if not addressed may threaten successful delivery.

Gate 1 is an initiation stage in the project lifecycle where projects are assessed for viability and alignment with strategic objectives before proceeding further.

Refer to Fig 5. for Digital Assurance Framework 2024 – Section 3.3 for detail.

Figure 5.

Shaded boxes are mandatory. Blue boxes are Gateway requirements.		Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
		External review (by GCIDO), agency decision to proceed				
Planning Phases	Gate 0	Gateway review + GCIDO endorsement	Gateway review + GCIDO endorsement	Gateway review	Project sponsor-commissioned review	
	Gate 1	Gateway review + GCIDO endorsement	Gateway review + GCIDO endorsement	Gateway review	Project sponsor-commissioned review	Optional
	Gate 2	Gateway review + GCIDO endorsement	Gateway review	Project sponsor-commissioned review	Project sponsor-commissioned review	Optional
Delivery Phases	Gate 3	Gateway review + GCIDO endorsement	Gateway review + GCIDO endorsement	Project Sponsor-commissioned review	Optional	Optional
	Gate 4	Gateway review	Optional	Optional	Optional	Optional
	Gate 5 (Tailored at Gate 2)	Gateway review	Optional	Optional	Optional	Optional
	Gate 6	Gateway review	Gateway review	Project sponsor-commissioned review	Optional	Optional
	Health Checks / Deep Dives / Rapid Assurance Review	External review	External review		Optional	Optional

2.13   Developing the report

A review report is the key output of each gate. Each report must follow the report template and be written in a concise way that a third party could understand. Commentary should be included for each section, to support recommendations by the Review Team. Where possible, examples should be provided especially for items that require further work and action.

The review report lists recommendations, defined as either critical, essential or recommended. These should:

- Link to project milestones.
- Follow the SMART approach (S – specific; M – measurable; A – attainable; R – realistic; T – timely); and
- Align to the seven focus areas.

Reports will remain in Microsoft Word and named as per the following file naming protocol:

Project Name – Gateway Review Name – (DRAFT / FINAL) Report Ver 1-1

The review team leader emails all reports to the ICT Assurance Director.

2.14 Applicable NSW Policy

The Gateway Review process aligns with current NSW Government policy and strategies. Delivery Agencies should ensure projects meet the latest NSW Government policy and guidelines. Examples of these policies and guidelines include the current versions of:

- NSW Gateway Policy (TPG22-12)
- NSW Government Sector Finance Act 2018
- NSW Government Capability Framework
- NSW Government Cost Control Framework (CCF)
- NSW Treasury Guidelines for Capital Business Cases (TPP08-5)
- NSW Government Business Case Guidelines (TPG24-29)
- Asset Management Policy for the NSW Public Sector (TPP19-07)
- NSW Government Guide to Cost Benefit Analysis (TPG23-08)
- NSW Government Program Evaluation Guidelines (TPG22-22)
- NSW Government Benefits Realisation Management Framework (2018)
- NSW Public Private Partnership Policy and Guidelines (TPG22-21)
- NSW Government Procurement Policy Framework (April 2022)
- NSW Procurement Board Directions Enforceable Procurement Divisions
- Australian Government Assurance Reviews and Risk Assessment (Department of Finance)
- Digital Assurance Framework (Department of Customer Service)
- First Nations Investment Framework (TPG24-28)
- Carbon emissions in the Investment Framework (TPG24-34)

2.15 Gateway Review Framework

Gate 0 – Go / No Go	
Purpose	Determine if the project aligns with Government and Agency priorities and whether the identified service need has merit and warrants further consideration. Assesses if there are sufficient governance processes and resources available to support the development of a preliminary business case.
Review Scope	• Affordability (ETC) • Government Priority • Criticality of service need / urgency • Strategic risk and compliance mitigation • Alternative solution • Whole of government impact / reuse /SDA
7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:

Risk Management	Change and End Users	Benefits Management	Scope Management
• Early identification of key risks, including risk for potential solutions/options and strategic risk • Outline risk management plans.	• Stakeholder identification and end user input to service needs.	• High level benefits identified and agreed • Benefits strategy, plan and register	• Alignment with Government Policy and Priorities • Requirements and scope are clear • Alignment to business needs • Options analysis

Given the early stage of the project – assessment of the 7 focus areas will be limited and are considered for broader reference only by the review committee at this time.

Gateway Review Framework continued

Gate 1 – Strategic Alignment	
Purpose	Ensures the business needs for the initiative are clearly defined & aligned with strategic Imperatives, Investment Principles & Enterprise Architecture. **Confirmation of Alignment to Government Enterprise Architecture.**
Review Scope	- Policy and business context - Business case and stakeholders - Risk management - Readiness for next phase - Alignment to Government Enterprise Architecture - Assessment of Cyber, Privacy and AI compliance requirements

7 Focus Areas Emphasis

Reviews will assess the focus areas through various lenses including:

Risk Management	Change and End Users	Benefits Management	Scope Management
- Early identification of key risks, including risk for potential solutions/options and strategic risk - Outline risk management plans. - Early Assessment of IA impact per NSW Assessment Guidelines - Cyber Security risk Profile documented and included in project scope	Stakeholder identification and end user input to service needs.	- High level benefits identified and agreed - Benefits strategy, plan and register	- Requirements and scope are clear - Alignment to business needs - Options analysis

Gate 2 – Business Case	
Purpose	Ensures that the business case is robust & there are outline plans to realise benefits & align with Strategic Imperatives, Investment Principles & Enterprise Architecture. Confirmation of Alignment to Government Enterprise Architecture Funding model to operate is sustainable for whole of life Cyber, Privacy and AI implications are understood, and assurance addressed in the BC.
Review Scope	• Assessment of delivery approach • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Alignment to Government Enterprise Architecture • Assessment of Cyber, Privacy and AI compliance requirements

Health checks / Deep dives

7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:			
	Risk Management	**Change and End Users**	**Benefits Management**	**Scope Management**
	• Early identification of key risks, including risk for potential solutions/options and strategic risk • Updated risk management plans including Cyber, Privacy and AI • Early Assessment of IA impact per NSW Assessment Guidelines • Cyber Security risk Profile documented and included in project scope	• Assessment of the change impact to all stakeholders	• Benefits aligned to business case and agreed • Governance and plans for realising and delivering benefits • Updated Benefits management plan	• Feasibility and options analysis to meet organisations needs and address government strategy

Gateway Review Framework continued

Gate 3 – Pre-execution	
Purpose	Assesses the procurement and tendering approach, identifies problems early in the project and ensure plans for the delivery of the project are in place.
Review Scope	• Assessment of delivery approach • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Alignment to Government Enterprise Architecture • Approach maintains compliance with Assessment of Cyber, Privacy and AI compliance requirements

Health checks / Deep dives				
7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:			
	Risk Management	**Change and End Users**	**Benefits Management**	**Scope Management**
	• Assessment of key risks • Key procurement and supplier risk • Stakeholder risks • Updated risk management plans • AI, Cyber and Privacy considerations have been costed into the delivery approach correctly	• External (market) engagement and analysis	• Benefits aligned to business case and agreed • Governance and plans for realising and delivering benefits • Deviations to agreed and planned benefits	• Updated project scope including business change • Delivery plan defined and agreed

Gateway Review Framework continued

Gate 4 – Tender evaluation	
Purpose	Evaluates the solution & the preferred option prior to committing funds, ensuring that the project will be delivered effectively and checks requirements against milestones.
Review Scope	• Assessment of the proposed solution • Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Alignment to Government Enterprise Architecture • Approach maintains compliance with Assessment of Cyber, Privacy and AI compliance requirements

Health checks / Deep dives

7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:			
	Risk Management	**Change and End Users**	**Benefits Management**	**Scope Management**
	• Assessment of key risks • Key procurement and supplier risk • Updated risk management plans • Stakeholder & change risks • AI, Cyber and Privacy considerations have been costed into the delivery approach correctly	• Change preparation and planning	• Updated benefits strategy, realisation plan and register • Deviations to agreed and planned benefits • Benefits aligned to business case and agreed	• Assessment of options to ensure they are still within scope

Gateway Review Framework continued

Gate 5 – Pre-commissioning	
Purpose	Assesses whether the organisation is ready to adopt the solution to achieve the planned benefits stated in the business case and implement the change management required. Clearly defined sustainability of funding to deliver the system into the future in BAU including AI Monitoring, Cyber and Privacy checks
Review Scope	• Business case and stakeholders • Risk management • Review of current phase • Readiness for next phase • Cyber, privacy and AI compliance sign offs should be completed and the ongoing plan into operations clearly specified.

Health checks / Deep dives

7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:			
	Risk Management	**Change and End Users**	**Benefits Management**	**Scope Management**
	• Assessment of key risks • Key delivery and implementation risks • Updated risk management plans • Stakeholder & change management risks • AI Cyber and Privacy Compliance Signoff	• Change, training and transition support	• Achievability of planned benefits • Updated benefits strategy, realisation plan and register • Handover and measurement of benefits	• Confirmation project scope still meets business needs and acceptance criteria

Gate 6 – Closure Review	
Purpose	Assesses whether the anticipated benefits are being delivered, lessons learned have been considered and plans for ongoing improvements in value, service enhancements and performance are in place.
Review Scope	• Review of Operating Phase • Ongoing Sustainability and financial viability • Business Case and Benefits • Plans to improve Value for Money • Review Organisational learning. • Readiness for future • Risk Management over Al, Cyber, Privacy into BAU
Health checks / Deep dives	

| 7 Focus Areas Emphasis	Reviews will assess the focus areas through various lenses including:			
	Risk Management	**Change and End Users**	**Benefits Management**	**Scope Management**
	• Ongoing plans for risk management • Business continuity & operations risks • Ongoing cyber & information security risk • Updated risk management plans to include AI in BAU • Ongoing change management & stakeholder management risks	• Continuous improvement • End user support	• Assessment and measurement of the realisation of planned benefits • Planned future benefits • Measurement of benefits against the business case	• Scope for improved value for money • Future needs and scope

3

Part B:
For Delivery (or Accountable) Agencies

Initiating and preparing for a Gate 1 Review

3.1 Key Gateways: Gate 0 – 2

Gate 0 – 2 are key Gateways as they serve to ensure investor assurance through a structured evaluation of a project's feasibility and potential for success. These are critical checkpoints where investor concerns about feasibility (Gate 0), planning (Gate 1), and potential returns (Gate 2) are addressed, ensuring that only the most promising projects move forward. This systematic evaluation builds investor confidence and helps mitigate risks associated with new projects. Refer to Fig 6. Overall Digital Assurance Framework – Introducing Gate 0 and Pre-Gateway Review.

Figure 6.
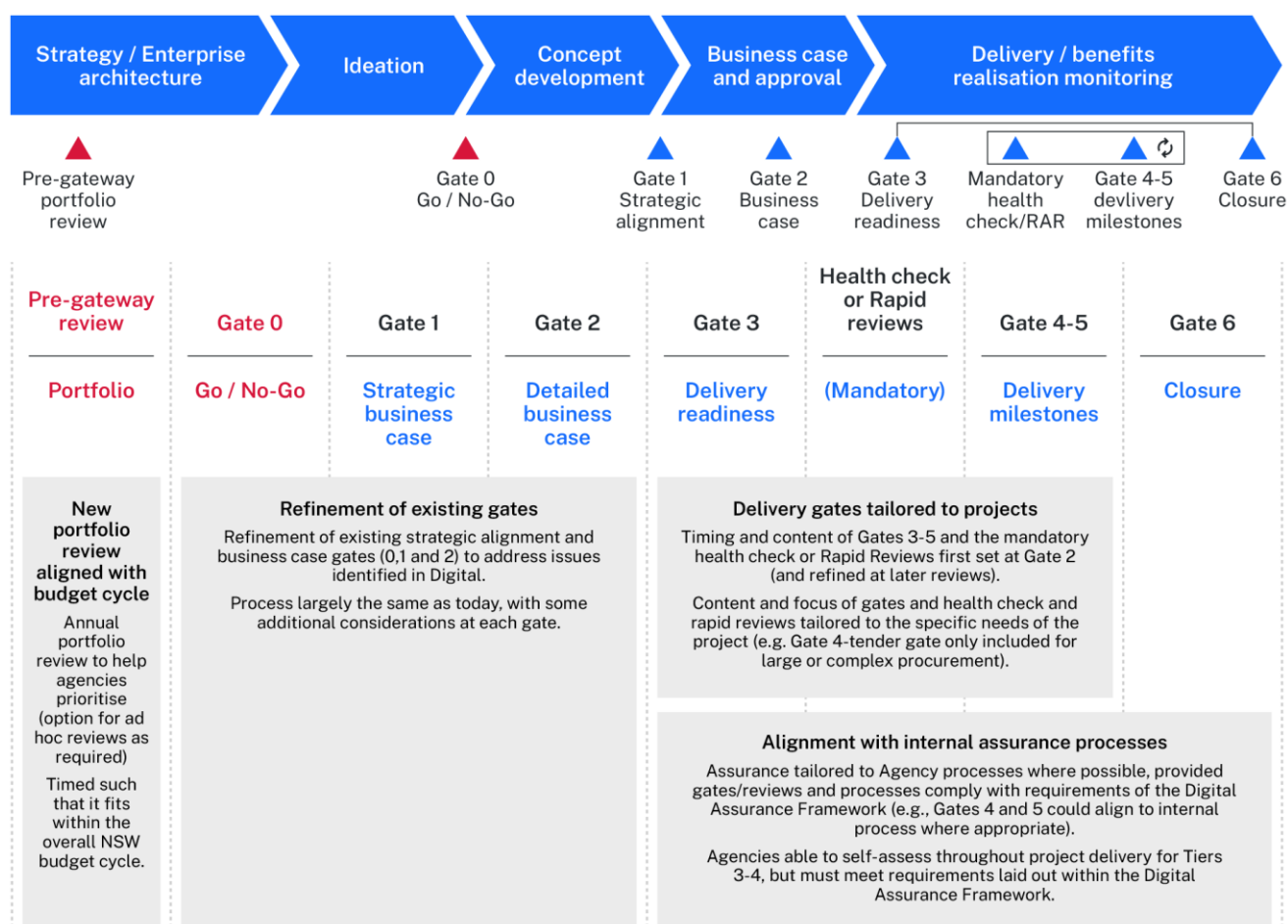
1. **Gate 0: Justification**

Purpose: To consider the alignment of the project with Government and agency priorities, the merit of the identified service need, and the governance and resources available to develop a Strategic Business Case.

2. **Gate 1: Strategic Assessment**

Purpose: To assess whether the project is aligned with the Government's and the agency's strategic plans and demonstrates that the service need should be addressed, proposing the best value means of servicing that need.

3. **Gate 2: Business Case**

Purpose: To evaluate the evidence that the proposed project is ready for funding, aligned with relevant policy, or other types of approval associated with the funding of the project. [e.g. DRF funding rules vs NPP]

Gate 0: Go/No-Go, includes a pre-Gateway Self-assessment tool for project teams and Agencies to use to prequalify into Gate 0 Assessment, a Pre-Gateway Self-assessment tool, is self-administered and will be automated with ETC threshold >$10 million. Once prequalified, project team completes 2-page Gate 0 justification report, and this will be reviewed by independent Gate 0 committee. The outcome of the Gate will be a clear direction of Go/No Go decision to proceed into Gate 1: Strategic Business Case stage / Gate 2: Business case stage from Government. Projects may also receive directions on funding pathways available and will be advised by the Gate 0 committee on how to improve the future business case focus. Clearance of Gate 0 with a 'Go' designation only provides approval to continue to business case – it does not provide approval for funding.

Gate 1 is the ideation phase, Strategic Business case Gate. Gate 1 ensures the business needs for the initiative are clearly defined & aligned with strategic Imperatives, Investment Principles & Enterprise Architecture. Confirmation of Alignment to Government Enterprise Architecture. After a Gate 1 has been successfully completed and all material issues cleared. In most cases the Gate 2 is an important prerequisite for the approval and release of funding for the project. This is a strong investment control to help the Agency set up for success and ensure the government is well informed about the full cost and risk profile of the project as well as the key benefits that will be gained should the project go forward.

Gate 2 moves into the concept development phase, the Business Case Gate. The Gate 2 Gateway Review will assess whether the business case is robust and there are plans to realise benefits and align with Strategic imperatives, Investment Principles and Enterprise Architecture. Key areas of validation are:

- Demonstrated Alignment to Government Enterprise Architecture
- Funding model to operate is sustainable for whole of life
- Cyber, Privacy and AI implications are understood, and assurance addressed in the BC.
- The Gate 2 Review focuses on the detailed business case and the readiness of the project team to move to the next stage. The review leverages Treasury TPP18-06 to considers whether the business case is robust and meets the key criteria of set out in the TPP18-06. See guides on the NSW Treasury web site for further guidance
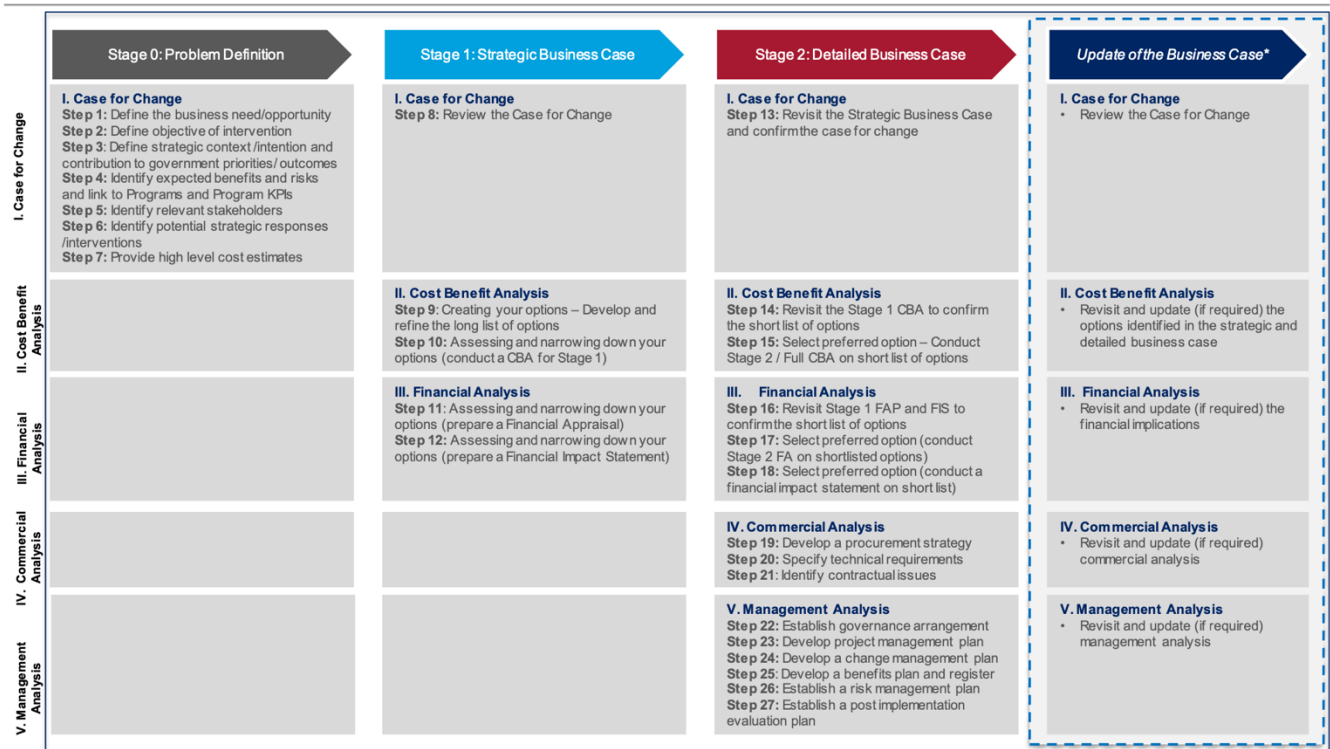
Note: Gate 3- 5 Gateway Review maybe subject to revision of business case.

Figure 7. Business Case Guidelines Overview (<u>NSW Government Treasury</u>)

Business Case Guidelines Overview

	Stage 0: Problem Definition	Stage 1: Strategic Business Case	Stage 2: Detailed Business Case	*Update of the Business Case**
I. Case for Change	**I. Case for Change** **Step 1:** Define the business need/opportunity **Step 2:** Define objective of intervention **Step 3:** Define strategic context /intention and contribution to government priorities/ outcomes **Step 4:** Identify expected benefits and risks and link to Programs and Program KPIs **Step 5:** Identify relevant stakeholders **Step 6:** Identify potential strategic responses /interventions **Step 7:** Provide high level cost estimates	**I. Case for Change** **Step 8:** Review the Case for Change	**I. Case for Change** **Step 13:** Revisit the Strategic Business Case and confirm the case for change	**I. Case for Change** • Review the Case for Change
II. Cost Benefit Analysis		**II. Cost Benefit Analysis** **Step 9:** Creating your options – Develop and refine the long list of options **Step 10:** Assessing and narrowing down your options (conduct a CBA for Stage 1)	**II. Cost Benefit Analysis** **Step 14:** Revisit the Stage 1 CBA to confirm the short list of options **Step 15:** Select preferred option – Conduct Stage 2 / Full CBA on short list of options	**II. Cost Benefit Analysis** • Revisit and update (if required) the options identified in the strategic and detailed business case
III. Financial Analysis		**III. Financial Analysis** **Step 11:** Assessing and narrowing down your options (prepare a Financial Appraisal) **Step 12:** Assessing and narrowing down your options (prepare a Financial Impact Statement)	**III. Financial Analysis** **Step 16:** Revisit Stage 1 FAP and FIS to confirm the short list of options **Step 17:** Select preferred option (conduct Stage 2 FA on shortlisted options) **Step 18:** Select preferred option (conduct a financial impact statement on short list)	**III. Financial Analysis** • Revisit and update (if required) the financial implications
IV. Commercial Analysis			**IV. Commercial Analysis** **Step 19:** Develop a procurement strategy **Step 20:** Specify technical requirements **Step 21:** Identify contractual issues	**IV. Commercial Analysis** • Revisit and update (if required) commercial analysis
V. Management Analysis			**V. Management Analysis** **Step 22:** Establish governance arrangement **Step 23:** Develop project management plan **Step 24:** Develop a change management plan **Step 25:** Develop a benefits plan and register **Step 26:** Establish a risk management plan **Step 27:** Establish a post implementation evaluation plan	**V. Management Analysis** • Revisit and update (if required) management analysis

*These steps are recommended as updates post procurement once the preferred supplier has been identified

3.2 Initiating a Gate 1 Review

Entry Criteria

Prior to the Gate 1 or 2 the project must be registered in the ICT portal– DSIA, this is a prerequisite for initiating a Gate 1 review. (It should be undertaken at least 6 weeks before initiating a Gate 1).

Engagement set up – 6 Weeks Prior to Review week

1. 6 weeks prior to the Gateway commencement date, the Delivery (or Accountable) Agency checks readiness of the project for the Gate 1 Review and contacts the Gateway Coordination Agency (GCA).

2. (Note the DCS Assurance team will also monitor the likely timeframe through the regular assurance catch ups each month.)

3. GCA Review Manager (Digital Assurance) and Delivery (or Accountable) Agency confirm the Review Dates. (Dates must consider key stakeholder availability including the Sponsor)

4. GCA Review Manager appoints an independent Reviewer Team to the review. (As per the expert reviewer panel appointment process.)

Detailed Engagement Planning and TOR preparation

5. GCA Review Manager conducts a briefing with the Delivery (or Accountable) Agency to gain a common understanding of the project's status, identify any supporting documentation required and provide guidance on how to complete the Gate 1 readiness checklist template.

6. The Delivery (or Accountable) Agency complete the Gate 1 readiness checklist template with input from key Agency stakeholders. A draft Terms of Reference (ToR) is also completed at this time by the GCA Review Manager (Digital Assurance), this is shared with the Agency to refine. (The project sponsor to agree/sign off)

7. The Delivery (or Accountable) Agency provide the Reviewer Team with the readiness checklist and provide supporting documentation to the allocated secure shared drive location.

Preplanning With Independent Review team members

8. GCA Review Manager meets with the Independent Review Team to jointly review the Terms of Reference for the Gate 1 and if additional documentation is considered then the request can be made for this as well the key interviewees.

Planning formal Kick off

9. This starts with the kick-off meeting where the sponsor and delegates outline the project to be assessed, and any key background needed to provide context.

   — High level run through of the Gateway process, roles and responsibilities

   — Documentation requirements are confirmed, and interview are scheduled and confirmed

Review Week

10. Interview week commences and the scheduled interviews are undertaken by the Gateways reviewers.

Entry criteria

   a. TOR Approved,

   b. All documentation is loaded and available to the team,

   c. All interviews are scheduled and confirmed, MS Teams Channel for Review teams set up and tested.

Up to 18 interviews could be held over this time with the Independent Review team

The Review team complete the interviews and maintain feedback to the sponsor daily or as deemed appropriate.

Reporting

11. The draft findings are prepared using the Gate 1 reporting Template. Noting the Scope items need to all be addressed including core areas of focus.

   — The draft report is shared with Digital Assurance for initial QA

   — Sponsors debrief is undertaken to outline the findings – this is a confidential meeting directly with sponsor.

   — Report circulated to the Agency for fact check post Sponsor Debrief.

   — Post Review survey sent out to Delivery (or Accountable) Agency, Reviewer Team and GCA Review Manager.

12. Close-out Plan issued and managed by DCS ICT Assurance

Post Review - Within 4 weeks of report issue

13. Post Review Activities

— Record Critical and Essential issues for ongoing assurance follow up – note the Agency will need to provide adequate evidence of item closure.

— Critical rated items need to be closed before the clearance letter can be issued.

— This clearance can impact approval of funding

— Charge back to be completed and reviewer invoice payment completed

3.3 Gate 1 Gateway Review and documents

The Delivery (or Accountable) Agency is responsible for initiating a Gateway Review at the appropriate time. Delivery (or Accountable) Agencies should seek authorisation from the Delivery (or Accountable) Agency's governance structure and the Gateway Review should be led by the Delivery (or Accountable) Agency's SRO.

It is intended that Delivery (or Accountable) Agencies **use existing project documentation, assistance from the delivery team and IT asset operator** and not create or customise documents for the Review.

3.3.1 Mandatory documents

• Main body of the original Strategic Business Case

• Summary presentation of the project, including scope, deliverables and purpose

• Benefits Realisation Plan (or similar)

• Target Operating model and financial sustainability to operate

• Any agency project evaluation documentation.

3.3.2 Information documented to support Gate 1

Typical project documentation can be found in section 7 for reference.

3.3.3 Preplanning Planning Session Step 8

The preplanning session is set up by the GCA in coordination with the Delivery (or Accountable) Agency and Reviewer Team, to gain an overview of the project and provide guidance on how to complete the Gate 1 preparation checklist

The Deliver (or Accountable) Agency organises the venue and the GCA Review Manager issues diary invitations. The alignment (project briefing) session may on site or via MS Teams.

3.3.4 Review Activities Steps 9 & 10

The Delivery (or Accountable) Agency prepares the draft check list and shares this with the GCA Review Manager (Digital Assurance) this is discussed and reviewed, and any further information is then requested to be loaded into the secure SharePoint site. As part of pre planning the independent review team may ask for additional information if it exists.

Interview week commences and the scheduled interviews are undertaken by the Gateways reviewers.

Entry criteria

a. TOR Approved,

b. All documentation is loaded and available to the team,

c. All interviews are scheduled and confirmed, MS Teams Channel for Review teams set up and tested.

Up to 18 interviews could be held over this time with the Independent Review team – it is essential the entry criteria are all ready and complete as there is no time during the review week to wait or go back for items not ready at the start of the review.

3.3.5   Draft and final review report Steps 11 &12

The Reviewer Team reviews the report and submits a Final Draft Report to the GCA for review. The GCA reviews the Final Draft Report and seeks responses to the recommendations from the Delivery (or Accountable) Agency, along with any clarifications from the Delivery (or Accountable) Agency or Lead Reviewer. The Report is then finalised in accordance with the Digital Assurance Framework (DAF).

The Gate 1 Report only becomes final once the GCA has reviewed and approved the Report. The GCA will send a copy of the final Report to the SRO and it will be included in Assurance Cabinet reporting as required.

Recommendations from the Review are transferred to the GCA's Asset Management Assurance team to be actioned or closed-out as appropriate.

4

Part C:
For the Reviewer

Conducting the Review

4.1 Gate 1 Approach

The Gate 1 Review is conducted after a project is registered on the DCS portal and a strategic business case has been written and approved by the sponsor.

The Reviewer Team should use this guideline to guide an assessment of the project against the scope and objectives outlined in the Strategic Business Case and/or Benefits Realisation Plan and provide practical recommendations.

4.2 Gate 1 Review

The Reviewer Team conducts interviews with the Delivery (or Accountable) Agency and stakeholders (as required) to complete the final draft of the Gate 1 Report, writes recommendations and determines the final overall rating for the Report.

The Gateway Review includes:

- Project documentation released by the Delivery (or Accountable) Agency to the Reviewer Team as key evidence to support the review work – prior to the review fieldwork starting (2 weeks minimum.)

- A planning session, hosted by the Delivery (or Accountable) Agency, is attended by the Reviewer Team, agency SRO and the GCA Review Manager

- Review week and Interviews are undertaken with the Delivery (or Accountable) Agency team and a daily update is provided to the Sponsor

- Final Draft Report completed by the Reviewer Team for the GCA Review Manager, including any updates to the content, recommendations and review rating

- GCA manages responses from the Delivery (or Accountable) Agency to address the recommendations

- Finalisation of the Gate 1 Report by the GCA and issue of the Report to the SRO

- Close-out of the recommendations by the GCA's ICT Management Assurance team part of the ICT Digital Investment and Assurance (IDIA) Unit.

4.3 Gateway Review reviewer team

For the Gate 1 Review, the GCA will appoint a Reviewer Team with a mix of skills and expertise. The Reviewer Team is expected to work collaboratively with the Delivery (or Accountable) Agency and take responsibility for producing a high-quality, well written Gate 1 Report using the appropriate template.

The Lead Reviewer and any member of a Review Team must be independent of the project. Reviewers must immediately inform the GCA of any potential or current conflict of interest that arises prior to or during the Review. The Reviewer's participation in the Review may preclude them, and their organisation, from participating in the project in any other capacity. For all Tier 1 projects, members must be high profile industry experts and independent of the NSW Government.

4.4   Review principles and behaviours

Throughout the Review, the Reviewer Team is expected to add real value to the project and IT asset by:

- Being helpful and constructive in conducting the Review and developing the Review Report
- Being independent, with the Review Report's recommendations not directed or influenced by external parties
- Adhering to any Terms of Reference provided by the GCA
- Providing a Review Report that clearly highlights substantive issues, their causes and consequences
- Providing specific and actionable recommendations that will guide and enhance project development.
- Gateway Reviews are not adversarial or a detailed assessment of management plans and project team deliverables. Poor or disrespectful behaviour will not be tolerated by the GCA.

4.5 Part C: Review communication protocols

Topic	Details
Report Confidentiality	- Review Reports are primarily for the consideration and noting of the NSW Cabinet to assist them in making key decisions about the project or to take action as required. - All Review Reports are marked "OFFICIAL: Sensitive - NSW Cabinet" and are submitted to Cabinet. - All participants must keep all information, including documentation, confidential at all times. - Review Team Members must not directly contact the agency or stakeholders without the permission of the GCA Review Manager.
Report Distribution	- The Reviewer Team must not distribute copies of any versions of Review Reports directly to agencies, project teams or any other party. - The Reviewer Team sends the final draft of the Review Report to the GCA for review and distribution. - There is no 'informal' element to a Gateway Review or the Review Report, and action will be taken if a Review Report is distributed without permission of the GCA. - The Reviewer Team may not keep any copies of any version of the Review Report, or supporting documents, following submission to the GCA.
Review Debrief	- The GCA Review Manager and the Reviewer Team will agree on the process and timing to conduct a Review debrief with the Accountable Agency following the development of the Review Report. The GCA Review Manager will approve the agency representatives that attend the debrief and may attend the debrief. - There is no 'informal' element to Gateway Reviews. A debrief to the SRO or any agency executive must not occur without the approval of the GCA representative.
Report Format	- All Review Reports must include a document control table. - All Review Reports must include a list of people interviewed by the Lead Reviewer. - All versions of reports issued by the Reviewer Team to the GCA are to be in MS WORD format. - The final Review Report issued to the Accountable Agency SRO is to be watermarked as 'FINAL' and issued in PDF.
Report Transmittal	- The GCA is required to keep a record of all parties, noting the Review Report version, and to whom the reports are issued. - Reviewers should minimise the use of hard copies of Accountable Agency documents and must not keep documents in any form following the Review.

4.6 Gateway review report

The primary output of a Gateway Review is a high-quality written report that is candid and clear, absent of errors and without contradiction and inconsistencies.

The primary purpose of the Review Report is to inform the NSW Cabinet of project status and issues, with recommendations so appropriate action can be taken.

The Review Team should utilise the appropriate Review Report template incorporating the Gateway Review Ratings and the Review Recommendations Table.

4.7 Coverage of Gate 1 review objectives

Gate 1 review objectives	Applicable to this review		Review team confidence rating			Report reference
	Yes	No	Not met	Partially met	Met	
Example: Objective 6. Ensure that the major risks have been identified and outline risk management plans have been developed.	☐	☒	☒	☒	☐	*e.g. Review team detailed findings* *3. Risk Management*
1. Confirm that the Strategic Business Case is robust – that is, in principle it meets business need, is affordable, achievable, with appropriate options explored and likely to achieve value for money.	☐	☐	☐	☐	☐	
2. Confirm that appropriate expert advice has been obtained as necessary to identify and/or analyse potential options.	☐	☐	☐	☐	☐	
3. Establish that the feasibility study has been completed satisfactorily and that there is a preferred way forward, developed in dialogue with the market where appropriate.	☐	☐	☐	☐	☐	
4. Confirm that the market's likely interest has been considered.	☐	☐	☐	☐	☐	
5. Ensure that there is internal and external authority, if required, and support for the project.	☐	☐	☐	☐	☐	
6. Ensure that the major risks have been identified and outline risk management plans have been developed.	☐	☐	☐	☐	☐	

Gate 1 review objectives	Applicable to this review		Review team confidence rating			Report reference
	Yes	No	Not met	Partially met	Met	
7. Establish that the project is likely to deliver its business goals and that it supports wider business change, where applicable.	☐	☐	☐	☐	☐	
8. Confirm that the scope and requirements specifications are realistic, clear and unambiguous.	☐	☐	☐	☐	☐	
9. Ensure that the full scale, intended outcomes, timescales and impact of relevant external issues have been considered.	☐	☐	☐	☐	☐	
10. Ensure that the desired benefits have been clearly identified at a high level, together with measures of success and a measurement approach.	☐	☐	☐	☐	☐	
11. Ensure that there are plans for the next stage.	☐	☐	☐	☐	☐	
12. Confirm planning assumptions and that the Project team can deliver the next stage.	☐	☐	☐	☐	☐	
13. Confirm that overarching and internal business and technical strategies have been taken into account.	☐	☐	☐	☐	☐	
14. Establish that quality plans for the project and its deliverables are in place.	☐	☐	☐	☐	☐	
15. Confirm that the project is still aligned with the objectives and deliverables of the program and/or the organisational business strategy to which it contributes, if appropriate.	☐	☐	☐	☐	☐	
16. Confirm that the project meets wider government and organisational policies, strategic objectives, standards and business change programs. Including Cyber, Privacy and AI	☐	☐	☐	☐	☐	
Comments if review objectives are not applicable to this review						

5

Part D:
Gate 1 Purpose and Report Process

5.1   Gate 1 Review Purpose and Process

Purpose

The Gate 1: Strategic Alignment review assesses whether the project's business needs are clearly defined and aligned with strategic imperative, investment principles and enterprise architecture. The scope of Gate 1 includes evaluating the project's strategic fit, feasibility, business case, risks, stakeholder engagement, readiness for the next phase, governance structures, resource availability, and initial budget estimates. It will also assess the following:

- Confirmation of Alignment to Government Enterprise Architecture
- Funding model to operate is sustainable for whole of life
- Cyber, Privacy and AI implications are understood, and assurance addressed in the SBC.

Process

DCS ICT Assurance will appoint the Reviewer Team to undertake the review and oversee the completion of the Gate 1 Report, including the Report's recommendations and rating. DCS ICT Assurance and the Reviewer Team will participate in a planning session, which the agency will arrange along with any necessary further evidence (documentation), and key interviews required by the Reviewer Team.

The Gate 1 Report is in four parts:

- Project Context – a summary of the delivery outcomes of the project to time, cost, scope and benefits
- Executive Summary – a short and clear summary of the review results including the rating
- Summary of key findings set out key findings and their significance.
- Detailed Recommendations – actions the agency should take to improve the outcome of the project at this critical stage

The Report is to be completed in the template provided by DCS ICT Assurance.

The Report is submitted as Final Draft to DCS ICT Assurance by the Reviewer Team. It should be between 10 and 15 pages. On receipt of the Report, DCS ICT Assurance will:

- Review the Report, seek any clarifications required from the Reviewer Team, add or clarify recommendations and issue to the agency for fact checking and responses to recommendations.
- Issue the report for Fact Check to the Agency

Recommendations from the Review are transferred to DCS ICT Assurance to be actioned or closed-out as appropriate.

Gate 1 does not substitute, negate or supersede any mandatory requirements, policies or guidelines set out by the relevant agencies, project sponsor or NSW Treasury in assessing project outcomes or benefits.

6

Glossary

Term	Definition
Accountable Agency	The agency accountable for the project at its current stage (may be more than one). In the instance where it is more than one, the GCA will assign the lead Accountable Agency responsibilities.
Assurance Reviews	Refers to Gateway Reviews, Health Checks and other reviews conducted under the Gateway policy.
Benefit Owner	The agency or role responsible for the realisation of the benefit.
Cabinet	Refers to the full Cabinet of the NSW Government and any relevant standing sub-committees of Cabinet.
Capital Project	A project primarily comprised of one or more of the following elements: • Design Documentation • Application Software • Platform Licences • Operational technology
Close-Out Plan	Document outlining actions, responsibilities, accountabilities and timeframes that respond to recommendations identified in Gateway, and Health Check and Deep Dive Final Review Reports.
Decision-Making	The Gateway, Health Check and Deep Dive Reviews inform decision-making by government. Government in this context refers to all parts of government including Delivery Agencies.
Deep Dive Reviews	Deep Dives Reviews are similar to a Health Check but focus on a particular technical issue informed by the Terms of Reference rather than the seven Key Focus Areas considered at a Health Check. These Reviews are generally undertaken in response to issues being raised by key stakeholders to the project or at the direction of the relevant Government Minister.
Delivery (or Accountable) Agency	The Government agency (also the Accountable Agency) tasked with developing and/or delivering a project at its stages in its lifecycle applicable under the Digital Assurance Framework (DAF) and the NSW Gateway Policy.
Digital Restart Fund (DRF)	The purpose of the Digital Restart Fund (DRF) is to accelerate whole of government digital transformation. It has been designed to enable iterative, multi-disciplinary approaches to digital/ICT planning, development and service provision and complements existing investment approaches in IDIA. https://www.digital.nsw.gov.au/funding/digital-restart-fund
Digital Assurance Risk Advisory Group (DARAG)	Made up of Chief Information/Digital Officers from every cluster and representatives from the ICT and Digital Assurance Branch from DCS. Responsible for supporting the operation of the DAF by providing advice to the Government Chief Information and Digital Officer (GCIDO) and the IDLG and for monitoring projects by taking a Whole of Government perspective.
Estimated To Complete (ETC)	The financial performance index and project management measure that shows you the remaining cost you expect to pay in order to complete a project.
Expert Reviewer Panel	Panel comprising independent highly qualified Expert Reviewers established to cover all aspects of Gateway Review needs.

Term	Definition
Gate	Particular decision point(s) in a project/program's lifecycle when a Gateway Review may be undertaken.
Gateway Coordination Agency (GCA)	The agency responsible for the design and administration of an approved, risk-based model for the assessment of projects/programs, the coordination of the Gateway Reviews and the reporting of performance of the Gateway Review Process, under the NSW Gateway Policy.
Gateway Policy	The NSW Gateway Policy sets out the key points along the project lifecycle important for providing confidence to the NSW Government that projects are being delivered to time, cost and in-line with government objectives.
Gateway Review	A Review of a project/program by an independent team of experienced practitioners at a specific key decision point (Gate) in the project's lifecycle. A Gateway Review is a short, focused, independent expert appraisal of the project that highlights risks and issues, which if not addressed may threaten successful delivery. It provides a view of the current progress of a project and assurance that it can proceed successfully to the next stage if any critical recommendations are addressed.
Health Check	Independent Reviews carried out by a team of experienced practitioners seeking to identify issues in a project/program which may arise between Gateway Reviews.
Key Focus Areas	A specific area of investigation that factors in Gateway Review deliberations.
NSW Assurance Portal	Online portal administered by the GCA for the management of DAF functions.
Program	A temporary, flexible organisation created to coordinate, direct and oversee the implementation of a set of related projects and activities in order to deliver outcomes and benefits related to the organisation's strategic objectives. A program could be longer term and have a life that span more than 1 year. Projects that form part of a program may be grouped together for a variety of reasons including spatial co-location, the similar nature of the projects or projects collectively achieving an outcome. Programs provide an umbrella under which these projects can be coordinated. The component parts of a program are usually individual projects or smaller groups of projects (sub-programs). In some cases, these individual projects or sub-programs may have a different Project Tier to the overall program.
Project	A temporary organisation, usually existing for a shorter duration than a program, which will deliver one or more outputs in accordance with an agreed business case. Projects are typically delivered in a defined time period on a defined site. Projects have a clear start and finish. A particular project may or may not be part of a program. Where a project is delivered in multiple stages and potentially across varying time periods it is considered a 'complex project'. Refer to the definition for 'complex project'.
Project Team	The Delivery Agency's assigned group with responsibility for managing the project through the Gateway Review.

Term	Definition
Project Tier	Tier-based classification of project profile and risk potential based on the project's estimated total cost and qualitative risk profile criteria (level of government priority, interface complexity, sourcing complexity, agency capability, technical complexity, change complexity and cyber security). The Project Tier classification is comprised of five Project Tiers, where Tier 1 encompasses projects deemed as being the highest risk and profile (Tier 1 – High Profile/High Risk projects), and Tier 5 with the lowest risk profile.
Review Team	A team of expert independent practitioners, sourced from the Expert Reviewer Panel engaged by the GCA to undertake a Gateway Review 1 to 5, Health Check or Deep Dive Review. *In the case of Gate 0 – a review committee performs the function of the review team.*
Review Team Leader (RTL)	For Gates 1 to 6, Health Checks and Deep Dives the RTL is appointed by the GCA Review Manager and leads the independent Review Team for the Review. The RTL acts as Chair for the project briefing and interview days and has primary responsibility for delivering a high quality, consolidated Review Report using the appropriate template. The RTL acts as the point of contact between the Review Team and the GCA Review Manager. If agreed by the GCA Review Manager, the RTL may act as the liaison between the Review Team and the delivery agency's SRO and/or Project Director. The RTL provides the Review debrief to the GCA and the delivery agency's SRO on behalf of the Review Team.
Review Team Member	For Gates 1 to 6, Health Checks and Deep Dives provides the benefit of their independent and specialist expertise and advice in the Review of the project, focusing on issues appropriate to the project's lifecycle stage and the level of development and delivery confidence. Each Review Team member participates in the project briefing and interviews, and contributes to the Review Report and recommendations.
Senior Responsible Officer (SRO)	The delivery agency executive with strategic responsibility and the single point of overall accountability for a project.

Acronyms

Abbreviation	Definition
CEO	Chief Executive Officer
CIO	Chief Information Officer
DARAG	Digital Assurance Risk Advisory Group
IDIA	ICT Digital Investment and Assurance (IDIA) Unit
IDLG	ICT And Digital Leadership Group
DCS	Department of Customer Service
DPC	Department of Premier and Cabinet
DRF	Digital Restart Fund

Abbreviation	Definition
ERC	Cabinet Standing Committee on Expenditure Review
ETC	Estimated Total Cost
FBC	Final Business Case
GCA	Gateway Coordination Agency
GCIDO	Government Chief Information and Digital Officer
HPHR	High Profile/High Risk
DAF	Digital Assurance Framework
ICT	Information and Communications Technology

7

Additional guidelines material for Review Teams

7.1 Focus Areas

The review team should be mindful of the seven focus areas. The seven focus areas are a set of themes common across the project lifecycle that the NSW Government has determined as requiring assessment. They are referred to in the key review scope areas and are used in the review report.

Focus Area	Description
	Affordability and value for money A clear case for change and consideration of technology and market options to show evidence that the proposed changes will be delivered to the highest quality within an acceptable time and at a competitive and affordable price. There must be sufficient financial, physical and human resource to deliver the project and expenditure of these resources must provide value for money over the project's life.
	Risk Management Risk to scope, cost, procurement, time and quality should be identified and managed, as should risks inherent to the nature of new or changing technology, such as data privacy and cyber security risks, use of AI, reputational risks and risks to continuity or quality of business services. Risk management plans must be developed.
	Governance Consideration of project governance (roles and responsibilities to deliver the project, resource allocation, time management and process management) and alignment with business-as-usual agency activities and broader NSW Government and stakeholder governance.
	Stakeholder Management Consideration of the stakeholders that may contribute to or be affected by new ICT environments and capabilities, including end-users, government staff, citizens, business service managers and executive owners, technology providers, and both government and external vendors and service providers.
	Change Management Consideration of how the change will affect stakeholders, expected acceptance or resistance and actions required to move to new ways of working.
	Service Delivery Consideration of the effect of new technology capabilities on business service delivery, such as more efficient business services; maintaining or improving service delivery, such as better access to government services; quality improvements; or enabling new services.
	Sustainability Considerations of benefits realisation planning and tracking; service transition planning and implementation; whether vendor management offices will be required; continuous improvement capabilities and solution road maps; and how data will be archived or retained to meet current and future legislative requirements and data migration requirements.
The Gateway Review Framework provides more details of the Gateway Review process.	

Review teams should:

- Engage and meet with a Project Sponsor from the delivery agency prior to the review; and

- Where possible, engage early with the relevant agency's project management office (PMO) to understand the project's background and to adequately plan for interviews and required documentation.
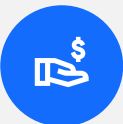
7.2   Policy and business context

Each numbered item below is an area to be probed.

7.2.1   Are relevant government initiatives addressed?

	Evidence expected	Status/Ref
	• Evidence the Project Sponsor is undertaking their responsibilities as required in relevant policy initiatives	

7.2.2   Does the project meet the NSW Government ICT Strategic Imperatives and Investment Principles?

	Evidence expected	Status/Ref
	• A completed self-assessment template that assesses the project against relevant ICT policies, standards and priorities (refer to the ICT Assurance Whole of Government Agency Self-Assessment template).	

7.2.3 Does the preferred option meet wider government and organisational policies, strategic objectives, standards and business change programs? Will it meet public service reform initiatives?

Evidence expected	Status/Ref
- Evidence of the project's role within a broader government program or policy initiative; - Business justification stated in the Preliminary Business Case; - Compliance with government frameworks, IT security requirements and Freedom of Information and data - AI assessment framework guidelines met and considered in its full lifecycle - Privacy requirements (Government Information (Public Access) Act 2009); consideration of information - Assurance requirements against business objectives; - Alignment to service orientation, including 'as a service' sourcing models, as a primary option; - Consideration of regulatory impact, sustainable development, environmental appraisal, and procurement innovation and sustainability issues; - Online access and sharing of data across government and externally, as appropriate; and - Consideration of planned or commenced public service reform programs.	

7.2.4 Have internal and external factors affecting the project been identified and assessed?

Evidence expected	Status/Ref
- Clear objectives, timescales and scale; - Consideration of legislation, policy and regulatory issues; - Assessment of the stability of the current business environment and strategic direction; - Evidence and assessment of other programs and projects that could affect priorities; - Assessment of existing physical and technical environment issues such as current infrastructure and legacy systems; and - Understanding and availability of the skills and knowledge required for implementation; appropriate allocation of project roles.	

7.2.5   Have dependencies on current/future projects/programs been assessed?

	Evidence expected	Status/Ref
	• Evidence of interdependencies with other projects or services that will influence project scope and cost.	

7.3   Business Case and stakeholders

Each numbered item below is an area to be probed.

7.3.1   Is there a clear and agreed strategic vision?

	Evidence expected	Status/Ref
	• A clear understanding of the strategic outcome.	

7.3.2   Is there a clear and agreed understanding of business goals and how the project will deliver these?

	Evidence expected	Status/Ref
	• Business objectives follow the SMART method and meet the business needs of the organisation;	
	• Defined and agreed strategy for realising social, economic and environmental benefits;	
	• Total scope, including timescales, documented and agreed with stakeholders (including end-users or their representatives) and technical authorities;	
	• Realistic, clear and unambiguous scope and requirements specifications;	
	• Defined and agreed delivery approach and mechanisms; and	
	• Evidence of options reviewed and justification.	
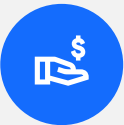
7.3.3   Are ICT security requirements identified?

	Evidence expected	Status/Ref
	• Potential requirements identified with evidence of advice from security teams; • Consideration of delivery agency's cyber security standards, the NSW Cyber Security Policy and the NSW Cyber Security Incident Emergency Sub-Plan; and • Consideration of information management and asset management standards.	

7.3.4   Is the proposed delivery approach and mechanisms appropriate for this project? Has it been defined and agreed with stakeholders? Have Agile methodologies (if appropriate) been considered?

	Evidence expected	Status/Ref
	• Evidence of which delivery method will be used – Waterfall, Agile or a Hybrid. • If Agile, use of Agile values, principles, tools and techniques including: — Processes to review and respond to feedback, continue to improve and adapt to change; — Research that informs the evolution of the project; — Methods to prioritise requirements and features to ensure the service meets users' needs; — Decision-making and approval processes; — Engagement plans for each stakeholder; — Plans to share information, collaborate and troubleshoot issues; — Increased communication, collaboration and transparency; and — Whether the organisation has the maturity to use an Agile methodology, and what change is required to maximise the use of Agile methodology	

7.3.5   Is there a strategy to plan and manage project benefits?

	Evidence expected	Status/Ref
	• A high-level benefits realisation strategy and benefits realisation register.	

7.3.6   What are the critical success factors?

	Evidence expected	Status/Ref
	• The critical success factors for each objective.	

7.3.7   Can critical success factors be quantified or measured?

	Evidence expected	Status/Ref
	• Explanation of how factors will be measured with baseline measures where appropriate; and • Definition of systems to measure and track realisation of financial and non-financial benefits.	

7.3.8   Have stakeholders been identified and their needs understood? Are external stakeholder issues such as communications, social issues (e.g. equality, disability, literacy, remoteness and diversity issues), environmental issues, personnel or statutory processes considered?

	Evidence expected	Status/Ref
	• Internal and external stakeholders identified and documented; • Stakeholders motivations and triggers considered; • Stakeholders roles, responsibilities and potential influence defined and agreed; • End-users and their needs identified and documented; • Evidence of an efficient, effective and inclusive decision-making process; • Results of consultations, as prescribed in a stakeholder engagement and communications strategy; and • If the project traverses organisational boundaries, clear governance arrangements to align with the business objectives of all organisations.	

7.3.9   Do stakeholders support the preferred option, including delivery approach and mechanisms?

	Evidence expected	Status/Ref
	• Stakeholder consultation, involvement, support and endorsement.	

7.3.10 Does the feasibility study examine enough options to meet the business requirement?

	Evidence expected	Status/Ref
	• Options explored for collaboration with other State agencies, programs and projects; • Where applicable, options assessed in accordance with regulatory requirements and policies; • Clear advantages and disadvantages for each option; and • Market sounding indicates that suitable solutions can be provided.	

7.3.11 Is there a clear best option or are several options appropriate?

	Evidence expected	Status/Ref
	• Options examined, appraised and ranked; and • Clear analysis of whole-life costs for each option.	

7.3.12 If there are several options, how was their robustness tested?

	Evidence expected	Status/Ref
	• Sensitivity analysis of appropriate options; and • Major sensitivities included in the list of identified risks.	

7.3.13 Is the project likely to be attractive to the market?

	Evidence expected	Status/Ref
	• Market sounding, including recent similar procurements and indication of suitable suppliers; • Adequate capacity, capability and competitive interest in the market; • Early supply-side involvement has determined and validated outputs and outcomes for the project, including proof of concept exercises; and • Sufficient market engagement by senior management to allow assessment of supply-side risks.	

7.3.14 Have contract management issues been considered?

	Evidence expected	Status/Ref
	• Arrangements for managing single/multiple suppliers considered; • If multiple suppliers likely, high level plans for managing the interfaces; and • Optimum scale of contract(s) appropriately considered.	

7.3.15 Is the Preliminary Business Case valid and does it demonstrate business need and contribution to the organisation's business strategy?

	Evidence expected	Status/Ref
	• Evidence the preferred option is selected from a broad range, rigorously assessed and likely to be affordable and achievable; • Proposed budget that forecasts, manages, monitors and controls project expenditures and benefits; • Adequate representation of stakeholder views; • Clear objectives and realistic expectations; • Appropriate sources of expert advice; and • Ability to align the delivery strategy with the overall organisational goal	

7.3.16 Have options for standardisation, collaboration and/or re-use of existing solutions been considered?

	Evidence expected	Status/Ref
	• Investigation of ability to re-use existing solutions; • Outcomes from cross divisional/agency forums to identify existing ICT services/solutions that delivery agencies may be able to adopt, re-use or share; and • Options considered standardisation of frameworks, procurement arrangements, information management and data standards.	

7.3.17 How is the change management plan being developed? How have the affected business units been involved in this plan?

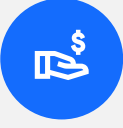|	Evidence expected	Status/Ref
	• Initial or high-level change management plan, developed with stakeholders; and • Demonstration of how the change management strategy will incorporate stakeholders' views, organisational and business process implications and communication requirements.	

7.3.18 What is the framework for identifying, assessing, communicating and managing changes to business within and external to the agency?

	Evidence expected	Status/Ref
	• Evidence of initial or high-level stakeholder and communications management plan, developed with stakeholders.	

7.3.19 Are there defined project organisation with agreed roles and responsibilities?

	Evidence expected	Status/Ref

	• Project organisation and methodology;
	
	• Governance/reporting arrangements;
	
	• Named individuals in key positions, with appropriate skills, experience and status (especially appropriate for Project Sponsor):
	
	  – Project Sponsor;
	
	  – Project Manager;
	
	  – Project Director;
	
	  – Stakeholder representation;
	
	  – Project board or project steering group;
	
	  – Chief Information Officer or equivalent role, an IT/Information Security Manager/accreditor to support the Project Sponsor; and
	
	  – For collaborative projects, a Project Sponsor assigned and senior representatives from each organisation, and clear governance arrangements, with clear lines of accountability and ownership.	

7.3.20 Does the Agile plan, if used, cater for some development to be discarded?

Evidence expected	Status/Ref
• The schedule caters for the possible disposal of early iterations.	

7.3.21 Are the resources available to maintain momentum or address gaps in the multidisciplinary teams that may develop?

Evidence expected	Status/Ref
• Resourcing strategy and plan is appropriately aligned to the demand profile; and • Witnessing stand-ups, etc. will demonstrate whether everyone who needs to be there attends.	

7.3.22 Have resource capability and capacity requirements been assessed for production development and business readiness?

Evidence expected	Status/Ref
• Capability and capacity assessment completed, and resources identified and secured; and • Comparison of plans with a wider change portfolio/strategy.	

7.3.23 Do the plans align with the wider change portfolio?

Evidence expected	Status/Ref
• Comparison of plans with a wider change portfolio/strategy.	

7.4   Risk Management

Each numbered item below is an area to be probed.

7.4.1   Are there processes to identify, assess, allocate, manage and monitor current, anticipated and emerging risks and issues?

	Evidence expected	Status/Ref
	• Major risks and key issues categorised as strategic, political/reputational, legislative, implementation and operational (including business, technical, financial and commercial/contractual risks within these categories, as appropriate). In addition: — Information security risks, including staff and citizen information; and — Cyber security threats identified and assessed; and — Supplier-related risks, e.g. Information privacy and cyber security compliance/accreditation, supplier access to government IT environments, technical currency and financial viability; — AI related benefits and risks captured clearly — Risks relating to poor take-up; — Risk management strategy that aligns with NSW Government standards such as tpp15-03 internal audit and risk management policy; — Individual responsible for managing risk, mitigation options and contingency plans and appropriate internal review and approvals, e.g. Chief Information Security Officer or similar, and agency audit and risk committee; and — Defined roles, responsibilities and processes for managing issues and risk and processes for bringing issues and risks to the attention of senior management.	

7.4.2   Have the risks for each of the options been evaluated?

	Evidence expected	Status/Ref
	• Current, emerging and anticipated risks classified by probability, impact, ownership, effect on the project and countermeasure, contingency and/or business continuity; and • Full assessment of risks that would jeopardise proceeding to the next phase.	

7.4.3   Have the risks for the preferred option been fully assessed?

	Evidence expected	Status/Ref
	• Involvement of senior stakeholders; • Assessment of risk, costs and benefits to demonstrate appropriate balance of risk and reward in the preferred option, demonstrating planned risk-taking and support for innovation where appropriate; and • Plans for contractually managing and allocating risks associated with the preferred option.	

7.4.4   Have worst-case implications been assessed?

	Evidence expected	Status/Ref
	• Risks financially assessed and risk allocation estimated; and • Consequences of breach of information privacy or cyber security safeguards.	

7.4.5   Are the costs and time implications of managing risks included in the cost and time estimate or treated as a separate risk allocation?

	Evidence expected	Status/Ref
	• Costs and time for managing risks separately identified; • Seed funding reserved for vulnerability and penetration testing (if applicable); • Costs and time estimated for risk countermeasures and, where appropriate, contingency and business continuity plans; • Where risks cannot be reduced, costs separately identified and included as a risk allocation provision; and • Analysis of the effects of slippage in time, cost, scope or quality.	

7.4.6   Is the project breaking new ground in any areas?

	Evidence expected	Status/Ref
	• Examination of similar leading-edge projects to assess the project's impact on business, stakeholders and end-users; • Innovative solutions assessed by professional advisers; • Consultation with the market to help refine approach, and identify and mitigate risks; and • Defined approach to change management, noting organisational culture, leadership and organisational capability.	

7.4.7 Should the project be broken down into a series of small steps?

	Evidence expected	Status/Ref
	• Documentation of the chosen approach and justification for taking that decision; and • Business Case details any phased delivery or expected improvements over time.	

7.4.8   Has the Use of AI been considered?

The implementation of AI technologies within the NSW Government offers significant opportunities for enhancing service delivery, operational efficiency, and decision-making processes. However, it also introduces various risks that must be carefully managed to ensure ethical, transparent, and accountable use of AI.

	Evidence expected	Status/Ref
	Evidence of Risk Assessment and Capture: 1. **Bias and Discrimination:** AI systems can inadvertently perpetuate or amplify existing biases present in the training data, leading to unfair treatment of certain groups. It is crucial to implement robust bias detection and mitigation strategies to ensure fairness and equity. 2. **Privacy and Security:** The use of AI often involves processing large volumes of personal and sensitive data. Ensuring data privacy and security is paramount to prevent unauthorized access, data breaches, and misuse of information. 3. **Transparency and Explainability:** AI systems can be complex and opaque, making it difficult for stakeholders to understand how decisions are made. Enhancing transparency and explainability is essential to build trust and accountability. 4. **Accountability:** Determining responsibility for AI-driven decisions can be challenging, especially in cases of adverse outcomes. Clear accountability frameworks must be established to address this issue. 5. **Ethical Considerations:** AI systems must align with ethical principles and values, ensuring that their deployment does not harm individuals or society. Continuous ethical assessments are necessary to uphold these standards. **Benefits:** 1. **Improved Efficiency:** AI can automate routine tasks, streamline processes, and reduce operational costs, leading to increased efficiency and productivity across government agencies. 2. **Enhanced Decision-Making:** AI can analyse vast amounts of data to provide insights and support evidence-based decision-making, improving the quality and accuracy of decisions. 3. **Personalized Services:** AI can enable the delivery of personalized services tailored to individual needs, enhancing citizen satisfaction and engagement. 4. **Innovation and Growth:** The adoption of AI can drive innovation, fostering the development of new solutions and services that benefit the community and contribute to economic growth. 5. **Proactive Risk Management:** AI can identify potential risks and issues early, allowing for proactive measures to mitigate them and ensure smoother project execution.	

7.4.9   Have AI Risk Mitigation strategies been considered?

The implementation of AI technologies within the NSW Government offers significant opportunities for enhancing service delivery, operational efficiency, and decision-making processes. However, it also introduces various risks that must be carefully managed to ensure ethical, transparent, and accountable use of AI.

	Evidence expected	Status/Ref
	Evidence of Mitigation Strategies: 1. **Bias Mitigation:** Implement regular audits and use diverse datasets to minimize bias in AI systems. 2. **Data Privacy and Security:** Adopt stringent data protection measures, including encryption, access controls, and regular security assessments. 3. **Transparency Initiatives:** Develop clear documentation and communication strategies to explain AI decision-making processes to stakeholders. 4. **Accountability Frameworks:** Establish clear roles and responsibilities for AI governance, including mechanisms for addressing grievances and adverse outcomes. 5. **Ethical Oversight:** Form ethics committees to continuously review and assess the ethical implications of AI projects.	

7.5   Readiness for next phase: Business Case

Each numbered item below is an area to be probed.

7.5.1   Is there an overall project structure for the Preliminary Business Case phase?

	Evidence expected	Status/Ref
	• A definition of the project approach to be adopted; and • Assessment of its suitability.	

7.5.2   Is there a realistic plan to reach Gate 2: Business Case?

Evidence expected	Status/Ref
• Defined and agreed objectives, planning assumptions, constraints, activities, quality plans, deliverables and milestones for the next phase and remaining phases; • Assessment of current assumptions; • Evidence the project addresses short and long-term business requirements; • Evidence of suitable market solutions and capacity; • For projects with a design phase, evidence the timescale allows for the development of the required design quality; • Identification of members of the project team with capability to develop the Business Case; and • Evidence of consideration of a proof of concept stage.	

7.5.3   Have requirements for external specialist advice been determined?

Evidence expected	Status/Ref
• Specialist expertise considered and resourced; and • Appropriate use of external advice.	

7.5.4   Does the project team have adequate skills?

Evidence expected	Status/Ref
• Resource plan for internal staff; • Identification of skills required for next phase; • Skills appraisal and plans for addressing shortfalls; • Training assessment and plans, training sources; • Appropriate allocation of project roles between internal staff and consultants or contractors; and • Appropriate skills or access to specialist expertise.	

7.5.5   Is the time plan for the next stage realistic? Does it account for statutory lead times?

	Evidence expected	Status/Ref
	• Senior management commitment to the time plan; and • Time plan for delivery justified and not longer than necessary.	

7.5.6   Is there a defined project organisation with agreed roles and responsibilities?

	Evidence expected	Status/Ref

	• Project organisation and methodology;
	• Governance/reporting arrangements;
	• Named individuals in key positions, with appropriate skills, experience and status (especially appropriate for Project Sponsor):
	  – Project Sponsor;
	  – Project Manager;
	  – Project Director;
	  – Stakeholder representation;
	  – Project board or project steering group;
	  – Chief Information Officer or equivalent role, an IT/Information Security Manager/accreditor to support the Project Sponsor; and
	  – For collaborative projects, a single Project Sponsor assigned and senior representatives from each collaborating organisation, as well as clear governance arrangements to align the business objectives of all organisations involved, with clear lines of accountability and ownership.	

7.5.7   Are there the necessary funds to reach Gate 2: Business Case?

	Evidence expected	Status/Ref
	• Budget provision, with costs included in NSW Government budget reviews; and • Financial controls for expenditure in place on project.	

7.6   Gate 1 Review: Typical project documentation

The review team should expect to receive evidence as noted below.

Governance, requirements, policy and resourcing

- Project brief with the project's scope and the need for change;
- Project initiation document or equivalent;
- A product backlog for any initially identified epics and stories if using Agile;
- Key roles and governance/reporting arrangements;
- How performance is to be reported and monitored;
- Definition of how to judge the project's success;
- Regulatory impact assessment (for policy projects);
- Agency Total Asset Management (TAM) strategy and other TAM documentation;
- State strategic plans, e.g. Premier's Priorities, State Infrastructure Strategy, NSW ICT Strategy.
- Authority and approval to proceed;
- A Preliminary Business Case addressing business need, affordability, achievability, value for money and a range of options estimating the project's cost and benefits; some form of cross-agency feasibility study, sensitivity analysis and market sounding; and
- The agency self-assessment template showing compliance with whole-of-government ICT policies, standards and priorities.

Stakeholder engagement and change management

- High-level change management plan;
- Communications strategy;
- High-level stakeholder management plan;
- Strategy outlining the approach to business change (including staff training, new facilities, etc.); and
- Business impacts identified and documented.

Quality management

- Quality management strategy; and
- An initial assessment of current and proposed physical and technical environment (e.g. IT infrastructure, workspace facilities).

Financial Management

- Cost report on the project to date against budget;
- Evidence of funding to cover all work to Gate 1: Business Case; and
- Preliminary financial analysis.

Procurement and commercials

- Preliminary procurement plan; and

- Agency strategic asset management planning of asset acquisition, maintenance and disposal proposals.

Risk Management

- A list of the major risks, with draft plans for managing them.

Planning and control

- A high-level activity, time and resource plan for the whole project;

- Plans to move the project to Gate 2: Business Case;

- The project approach, including how to deliver the intended outcome; and

- Cross-agency feasibility studies.

Benefits Management

- High-level benefits management plan including outcomes, benefits realisation strategy and high-level benefits realisation register.