Post Implementation Gate Review Workbook

Gate Six

FURTHER INFORMATION AND ASSISTANCE

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Post Implementation Gate Review Workbook – Issue No. 8 – October 2013

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GATEWAY REVIEW SYSTEM -

The NSW Government applies Gateway Reviews to the procurement of infrastructure, information technology, property, and goods and services. Through this, it aims to improve procurement discipline and outcomes by encouraging better performance in project planning, development and execution.

Gateway Reviews are essentially 'peer reviews' that assess whether the processes used in developing and implementing a project is sound.

Reviews can consider an individual project or a program containing several projects.

Projects have a defined beginning and objectives that identify completion.

Programs consist of a group of projects that are considered together because they have factors in common or interrelated developments, operations or service deliveries.

As programs develop, subsequent Reviews may focus on individual projects or continue to be reviewed as a program. It is important that individual projects contribute to overall program goals.

Projects could be grouped because of:

- their similar or supporting service deliveries
- similar governance requirements
- common stakeholder or change management or similar risk profiles
- similar planning, procurement or implementation timelines

Note that use of the term ***project*** in this workbook also covers a grouping of projects into a program.

In practice, Gateway is the application of high level, structured reviews at critical points (or gates) in the procurement process.

A small team of experienced procurement practitioners who are independent of the project undertake each review. They consider the:

- alignment of the project with agreed objectives
- benefits and value for money offered
- management processes adopted to attain the current stage.

At the conclusion of the review, a report is issued to the Project Sponsor. It indicates the Gateway Review Team's assessment on the state of the project. The report provides recommendations on where further work may be required to improve aspects of the project.

Ultimately, Gateway Reviews help provide Government and agencies with the confidence that an appropriate level of discipline is being applied to the procurement process.

Gateway Health Check

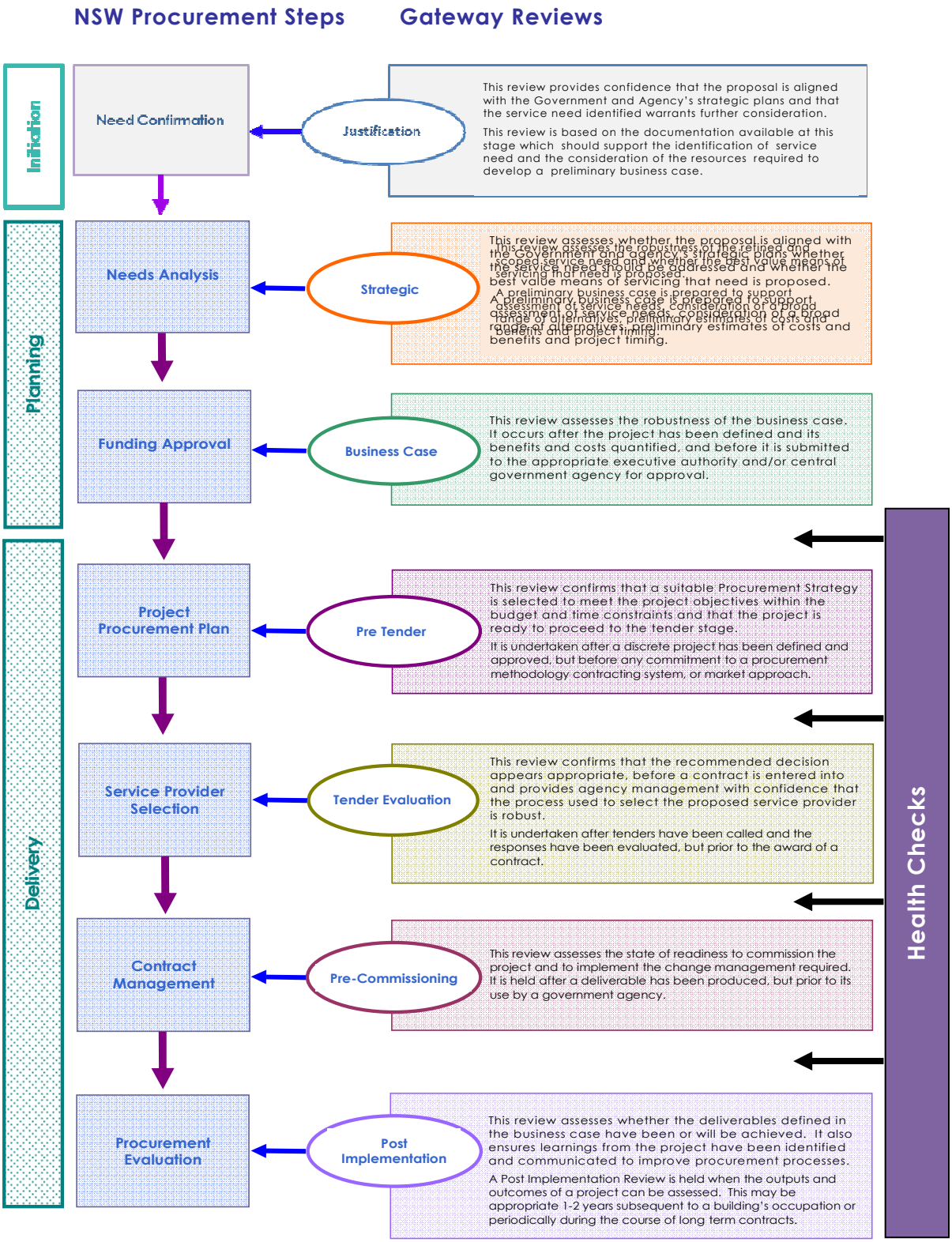
The Gateway Health Check complements the Gate Reviews by providing a 'point in time' insight into areas of concern which may impact completion of the next Gate or project outcomes.

Gateway Health Checks are conducted (for example):

- on an interval basis (in particular where there is a long gap between Gates); or,
- when there is a material change in operating environment or staff; or,
- at the specific request of the Project Sponsor of Government (Treasury or INSW).

It should be noted that a Gateway Health Check neither replaces the need for review at each Gate nor is it a substitute for robust project governance.

PROCUREMENT PROCESS AND GATEWAY



GATEWAY FRAMEWORK

Gateway Reviews are essentially an assessment of whether the processes used in developing and implementing a project are sound. They do not consider technical minutiae or investigate other options for developing and implementing a project.

This workbook provides a framework to conduct the Post Implementation Review. It is based on considering the project against seven success factors, which are constants throughout the procurement process.

1. Service Delivery
2. Affordability and Value for Money
3. Sustainability
4. Governance
5. Risk Management
6. Stakeholder Management
7. Change Management

Indicators have been developed for each success factor to assist the review team in evaluating a project. The Review Team is encouraged to expand or modify this list of indicators to reflect the specific characteristics of the project.

It is intended that the Gateway Review Team use existing project documentation and interview project stakeholders to gather information for the indicators. When this is completed, each of the factors is rated to provide the project team with a snapshot of the project.

RED	It is the Gateway Review Team's opinion that this aspect poses a significant risk to the project and must be clarified or addressed before further consideration of the project is made.
AMBER	It is the Gateway Review Team's opinion that this aspect indicates a minor risk to the project and must be clarified or addressed as part of proceeding to the next stage of the project.
GREEN	It is the Gateway Review Team's opinion that this aspect has been given adequate consideration as not to jeopardise the success of progressing to the next stage of the project.

These ratings, as well as any findings or recommendations a review team may have, are then compiled in a report. A report template is provided on page17.

POST IMPLEMENTATION GATE PURPOSE -

A Post Implementation Review is held when the outputs and outcomes of a project - can be assessed. The timing will vary depending on the nature of the project. For - example on a building project, this may be appropriate 1-2 years subsequent to - the building being occupied, after post completion and post occupancy reviews - have been conducted. For longer term service contracts, it may be appropriate - to schedule a series of Post Implementation Reviews throughout the contract, - which complement any other review activities. -

The purpose of the Post Implementation Review is to assess whether the - deliverables defined in the business case have been or will be achieved. The - review is to also ensure that the learnings from the project have been identified - and communicated to improve procurement processes. -

The main question the review seeks to answer is: -

"Has the project provided the services needed?" -

Specific questions the Post Implementation Review will address in relation to the - seven success factors include: -

1. - Service Delivery -	Is the project delivering the anticipated benefits and level of service? Have strategies been developed for renewal or discontinuation of the service in the future?
2. - Affordability and Value for Money	Did the procurement project meet the approved budget? Is funding available to complete project realisation?
3. - Sustainability	Did the procurement project meet its social, economic and environmental objectives? Are negative impacts being managed?
4. - Governance	Were the issues raised at Gateway reviews addressed? Is feedback being provided to assist in improving future procurement processes?
5. - Risk Management -	Was the risk management process effective? -
6. - Stakeholder Management	Are stakeholders satisfied with the outcomes of the project and the level of consultation?
7. - Change Management -	Has the change management process been effective? Are there issues that should be considered more carefully in the future?

DOCUMENTATION

The Review Team will need access to all relevant project documents. This includes documentation that provides for the context, planning and delivery priorities of the project.

The information is commonly found in documents such as:

Post implementation Gate Documents

- Business Case
- Economic Appraisal
- Benefits Realisation Register
- Previous Gateway Review Reports and records of action
- Post Construction Review
- Post Occupancy Evaluation
- Feedback for new procurements
- Contract Evaluation Report
- Consultant Performance Reports
- Contractor Performance Reports
- Commissioning Reports

POST IMPLEMENTATION REVIEW INDICATORS -

1. - SERVICE DELIVERY

The Review needs to consider whether the acquisition of the good and/or service will achieve the desired outcome(s) and/or fulfil identified need(s).

Points to consider in evaluating this include:

- Post completion review(s) has verified that the project delivers - the level of service described in the business case (or approved - later through proper processes). - ☐
- Post completion review(s) has verified that the service delivered - meets Government priorities. - ☐
- The expected benefits have been delivered and documented. ☐
- The approved scope of the project has not been exceeded. ☐
- Post completion review(s) has verified that the quality of the - project meets expectations. - ☐
- The project was completed within the agreed time. ☐
- The project has been evaluated in terms of the criteria defined in - the business case. - ☐
- Reports on non-conformances of the project with agreed service - objectives have been prepared. - ☐
- Where circumstances have changed, action is being taken to - ensure that service needs are met. - ☐
- Strategies have been developed for the future - renewal/discontinuation of the service. - ☐

Comments:

RATING	RED	AMBER	GREEN

2. - AFFORDABILITY AND VALUE FOR MONEY

Affordability considers whether adequate resources will be available to achieve the proposal.

Value for money considers all factors relating to a proposal including experience, quality, reliability, timeliness, service, capital costs, opportunity costs, whole of life costs, to meet the agency's requirements and Government's social and economic policies.

Points to consider in evaluating this include:

- The project met the approved budget (as varied) and/or a reasonable explanation has been provided for cost variances. ☐
- The agency has demonstrated that the project still provides value for money. ☐
- Post completion review(s) has demonstrated that the project has delivered the benefits at the lowest cost compared with the cost of alternatives. ☐
- Recurrent funding is available for the proposed life of the project. ☐
- Feedback has been given to project planners and estimators to improve the future delivery of value for money and project planning. ☐

Comments:

RATING	RED	AMBER	GREEN

3. - SUSTAINABILITY

In considering sustainability, the Review Team needs to look at whether the project/program has and will continue to meet the need(s) of the present without compromising the ability of future generations to meet their needs.

Points to consider in evaluating this include:

- Post completion review(s) has verified that the procurement - project met its social objectives. - ☐
- Post completion review(s) has verified that the procurement - project met its economic objectives. - ☐
- Post completion review(s) has verified that the procurement - project met its environmental objectives. - ☐
- Where anticipated benefits have not been met, or adverse - impacts are greater than anticipated, the reasons have been - identified and strategies taken to rectify. - ☐
- Measures have been taken / are planned to address adverse - social impacts. - ☐
- Measures have been taken / are planned to address adverse - environmental impacts. - ☐
- Measures have been taken / are planned to address adverse - economic impacts. - ☐
- The project has achieved the requirements of the relevant - policies including for buildings, fleet, energy and water, waste, - recycling and purchasing. - ☐
- Feedback has been provided to planners, to improve future - project conception, design development and implementation. - ☐

1. - Building energy minimises needs, optimising usage and the use of renewables. ☐
2. - Building water usage minimises need, optimising efficiency and use of alternative sources. ☐
3. - Where applicable the following was achieved

   a) - Waste recycling ☐

   b) - Procurement ☐

   c) - National Australian Built Environment Rating System for office accommodation (NABERS) ☐

   d) - Fleet management ☐

Comments:

RATING	RED	AMBER	GREEN

4. - GOVERNANCE

This factor assesses whether the activities required for a successful project, including resource allocation, time management and process management have been addressed.

Points to consider in evaluating this include:

- Issues raised at the Pre Commissioning Gate Review were dealt with and resolved. ☐
- Management of the project was completed within the approved budget, or reasonable justification has been given. ☐
- Post completion review(s) has verified that the resources applied to the management of the project were appropriate in numbers, with appropriate skills and experience and continuity of the team and project understanding was maintained. ☐
- The project was completed within the approved timeframe. ☐
- Variations to scope, time and cost have been justified, processed and approved. ☐
- The procurement process met policy and procedural requirements. ☐
- Feedback is being provided to assist in improving procurement processes. ☐
- Post completion review(s) has verified that the delivered project provided the agency with what it specified. ☐
- Post completion review(s) has verified that the completed project provided the agency with what it required for the identified service need. ☐

Comments:

RATING	RED	AMBER	GREEN

5. - RISK MANAGEMENT

This factor considers if a structured methodology for identifying, analysing and managing risks is being applied.

Points to consider in evaluating this include:

- Post completion review(s) has verified that the significant risks were identified throughout the project. ☐
- Post completion review has verified that the risk management process was effective. ☐
- Feedback on risks and risk management has been provided for future projects, including recommendations for improvement. ☐

Comments:

RATING	RED	AMBER	GREEN

6. - STAKEHOLDER MANAGEMENT

The review needs to examine whether the exchange of information with stakeholders about the project was adequately managed and that their concerns were addressed.

Points to consider in evaluating this include:

- Post completion review(s) has verified that stakeholder concerns were considered and addressed throughout the project. ☐
- Stakeholder management plans were developed and implemented. ☐
- Stakeholders are satisfied with the outcomes of the project. ☐
- Stakeholders are satisfied with the level of consultation. ☐
- Feedback on stakeholder management has been provided for future projects. ☐

Comments:

RATING	RED	AMBER	GREEN

7. - CHANGE MANAGEMENT

Change management is the task of managing the change that will result from a project, both inside and outside the managing agency, in a structured and systematic fashion so that the project is completed efficiently and effectively.

Points to consider in evaluating this include:

- Post completion review(s) has verified that management in all affected organisations supported change. ☐
- Post completion review(s) has verified that the lead agency accepted responsibility for managing change. ☐
- Post completion review(s) has verified that change management was successfully carried out. ☐
- Post completion review(s) has verified that the change management plan was adequate and effective. ☐
- Feedback has been sought from those affected by the changes and recommended improvements have been incorporated in change management processes. ☐
- Outcomes of the benefits realisation plan have been achieved. ☐
- Ongoing support for those affected by the project is being provided. ☐
- Funds have been allocated for maintaining training and support. ☐

Comments:

RATING	RED	AMBER	GREEN

GATEWAY REVIEW REPORT TEMPLATE -

Project: Title

Sponsor Agency:

Gateway Review: Post Implementation Review Gate

Status of Report:

Project Sponsor:

Review Dates:
(Planning/Interview/Report)

Gateway Review Team:

Gateway Manager:

Estimated Total Cost:

Background

The aim of this project is

The driving force for the project is

The proposed benefits of the project are

The current position of the project in relation to the Gateway Review Process is at the implementation stage.

Previous Gateway Reviews undertaken on this project include

Conduct of the Review

A Post Implementation Gate Review of was carried out on at .

The Gateway Review Team consisted of:

-
-
-

The purpose of the review was to consider if sufficient procurement discipline is being applied to the development of the proposed project and to provide recommendations, where appropriate, on improvement opportunities.

The people interviewed by the Review Team are listed in Appendix A.

The documents reviewed by the Review Team are listed in Appendix B.

Findings of the Gateway Review Team

The rating for each success factor is based on the following scale:

RED	It is the Gateway Review Team's opinion that this aspect poses a significant risk to the project and must be clarified or addressed before further consideration of the project is made.
AMBER	It is the Gateway Review Team's opinion that this aspect indicates a minor risk to the project and must be clarified or addressed as part of proceeding to the next stage of the project.
GREEN	It is the Gateway Review Team's opinion that this aspect has been given adequate consideration as not to jeopardise the success of progressing to the next stage of the project.

The Review Team's findings in relation to each of the seven factors are as follows:

1. Service Delivery

The Review indicated that the project is / is not delivering the anticipated benefits and level of service. Strategies for renewal or discontinuation of the service in the future have / have not been developed.

-

The Review Team consider the service delivery aspects of the project to be Red/Amber/Green.

2. Affordability and Value for Money

The Review indicated that the project did / did not meet the approved budget, and funding is / is not available to complete project realisation.

-

The Review Team consider the affordability and value for money aspects of the project to be Red/Amber/Green.

3. Sustainability

The Review indicated that the project did / did not meet its social, economic and environmental objectives and that any negative impacts are / are not being managed.

-

The Review Team consider the sustainability aspects of the project to be Red/Amber/Green.

4. Governance

The Review indicated that the issues raised in previous Gateway Reviews have / have not been addressed and that feedback is / is not being provided to assist in improving future procurement processes.

-

The Review Team consider the governance aspects of the project to be Red/Amber/Green.

5. Risk Management

The Review indicated that the risk management plan used for the project was / was not effective.

-

The Review Team consider the risk management aspects of the project to be Red/Amber/Green.

6. Stakeholder Management

The Review indicated that stakeholders are / are not satisfied with the outcomes of the project and the level of consultation.

-

The Review Team consider the stakeholder management aspects of the project to be Red/Amber/Green.

7. Change Management

The Review indicated that the change management processes have / have not been effective.

-

The Review Team consider the change management aspects of the project to be Red/Amber/Green.

Other Matters

-

Conclusions and Recommendations

The Review Team recommends that additional work be undertaken on the following:

1.
2.
3.

APPENDIX A: REVIEW INTERVIEWEES

The Reviewers are grateful to the following staff who gave generously of their time at the interviews. Their contribution assisted the Reviewers in coming to an understanding of the project and the path that led to its formulation.

Person	Agency	Project Role

APPENDIX B: DOCUMENTS REVIEWED

Document Title	Author	Date of Publication