

## Recurrent Investor Assurance Framework (RIAF)

**The Recurrent Investor Assurance Framework (TPP17-02) RIAF applies to all General Government agencies and Government businesses. These agencies are required to comply with the requirements of the RIAF with effect from the date of this circular.**

### Background

Gateway is a system of peer reviews conducted by independent experts at key decision points in a project or program's lifecycle. The Gateway process provides the NSW Government, as the investor, with a level of confidence that the State's programs and projects are being effectively developed and delivered on time, on budget and in accordance with the Government's objectives. It also assists delivery agencies by providing independent assessments to complement agency internal assurance arrangements and support them in delivering successful outcomes.

In accordance with the NSW Gateway Policy (TPP17-01) Gateway requirements are applicable to all significant government investments, both capital and recurrent. This will result in a consistent, whole-of-government approach to investor assurance regardless of investment type.

### Recurrent Investor Assurance Framework (TPP17-02)

The detailed protocols for the application of the NSW Gateway Policy to recurrent investments are set out in the Recurrent Investor Assurance Framework (RIAF).

Under the RIAF, it is mandatory for agencies with recurrent investment proposals of greater than \$100 million over four (4) years, or \$50 million in any one year, to register the proposal with NSW Treasury using the Project Registration and Risk Self-assessment tool available on the Treasury website. Note that ERC, the agency or NSW Treasury may nominate proposals to be registered and risk assessed even if they are below these thresholds.

Recurrent investments include:

- Implementation of a new policy/program
- Significant amendment/upgrade to an existing policy/program
- Extension of an existing policy that is due to lapse or rollover
- Establishment of a new public entity (or new business unit within a public entity) with resource or regulatory cost implications
- Establishment of a new government service with resource or regulatory cost implications
- Significant (non-routine) maintenance-for example, to address a large maintenance backlog
- Investments to enhance/extend agency capability

Agencies are responsible for determining if a proposal falls within the scope of the RIAF and registering the details with NSW Treasury. If there is any doubt consult your Treasury analyst in the first instance. Agencies are not required to register fully implemented projects retrospectively.

## **Recurrent Investor Assurance registration process**

The RIAF registration process includes a risk self-assessment to determine a preliminary risk tier. The risk tier will determine the mandatory assurance requirements with higher risk projects attracting a greater level of external assurance. Treasury will confirm the risk tier and the assurance requirements after agency self-assessments are reviewed by a Major Projects Advisory Group consisting of senior representatives from all clusters.

Following confirmation of the risk tier and assurance plan, Treasury's Gateway team will coordinate with your agency to arrange Gateway Reviews (and Health Checks) as required under the approved assurance plan.

These processes, apart from the application of different thresholds and risk criteria, mirror the processes followed for assurance of capital infrastructure and ICT investments, and agencies are already familiar with these.

Under the NSW Gateway Policy, Treasury and agencies themselves may nominate additional Gateway Reviews or Health Checks in addition to those mandated by the RIAF. This could apply, on a case by case basis, to previously approved proposals and to proposals below the expenditure threshold. Agencies will be advised by their Treasury analyst of any such proposed Treasury nominated Reviews or Health Checks.

The RIAF operates in conjunction with Treasury's budget and project approval processes. Further guidance on the alignment of RIAF process with the Budget process will be separately provided.

Note that no additional project status reporting, beyond what is already being provided by agencies, is envisaged for recurrent projects.

NSW Treasury will be working with agencies to implement the RIAF, including agreeing transitional arrangements on a case by case basis. Further advice and assistance will be provided to agencies including the opportunity to participate in implementation workshops and attend Town Hall information sessions.

### **Key resources:**

[NSW Gateway Policy \(TPP17-01\)](#)

[Recurrent Investor Assurance Framework \(TPP17-02\)](#)

[Investor Assurance \(Gateway\)](#)

[Recurrent Investor Assurance Framework](#)

Caralee McLiesh  
Deputy Secretary  
for Secretary  
NSW Treasury

**Further Information:** **Executive Director Fiscal Estimates and Financial Reporting, Stewart Walters,**  
t: 02 9228 5193, e: [stewart.walters@treasury.nsw.gov.au](mailto:stewart.walters@treasury.nsw.gov.au)

**NSW Treasury website:** [www.treasury.nsw.gov.au](http://www.treasury.nsw.gov.au)