



# **OGC Gateway™ in New Zealand**

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State Services Commission**

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# Key Messages

- A Quality Assurance process for large (or riskier) projects & programmes
- Gateway provides expert, confidential, free at point of delivery, peer-review
- For benefit of the project's Senior Responsible Owner (SRO)
- Central Agencies don't see Gateway reports
- Adds value thru:
  - Costs avoided
  - Delivery of intangible value increased
  - Govt. Change Management capabilities developed
  - Increased assurance for Ministers and CEOs
- SSC are piloting, and introducing processes and protocols
- Approved as part of Treasury's larger Capital Asset Management (CAM) programme
- Opportunities for Government and Industry to participate on reviews



# Background

- A Quality Assurance methodology for large projects in government
- Developed by UK Office of Government Commerce in 2000.
- Credited with significant savings in govt programmes:
  - Costs avoided in projects 6% of investment (UK NAO)
  - Value increased in projects
- Adopted by Australian Victorian Dept of Treasury and Finance in 2003
- Adopted by Australian Federal Government in 2006
- NZ Cabinet agreed to implement Gateway in NZ (Dec 2007)
- SSC to establish and manage NZ Gateway processes and protocols



# The Case For Action

- Ministers want increased assurance of large projects
- Change Management capabilities in government vary
- Large projects currently delivering between 50% and 75% of stated value (various studies)
- Best practice suggests independent peer reviews at critical points in lifecycle of a programme or project
- Early intervention pays high returns



# Gateway Reviews are:

- Initiated by the Senior Responsible Owner (SRO)
- There to increase success
- Fully Independent
- Highly Confidential



# A Shared View



# Gateway Principles

- SRO / Project Team initiated
- Short focused review - 4 to 5 days
- Partnership with 'client' - the SRO
- Independent review team
- Whole lifecycle evaluation
- Based on best practice



# Gateway Principles

- Open process, no surprises
- Access to stakeholders & documentation
- Peer-to-peer coaching style – helpful tips, pitfalls to avoid
- Confidentiality assured – Treasury/SSC do not receive reports
- Candid, evidence based recommendations
- SRO owns follow through



# Gateway applies to

- ICT-enabled business projects over \$15m (total costs)
- Non-ICT projects over \$25m, and classified High Risk
- Any High Risk project if a Minister requests
- GAT risk assessment questionnaire spreadsheet
  - Sponsoring Agency completes
  - Gateway Unit finalises rating
- Classes
  - ICT-enabled business change
  - Construction (buildings, hospitals, prisons, roads)
  - Defence
- Complements (does not replace) current IQA requirements for monitored ICT-enabled projects



# What is OGC Gateway?



# Gateway Review 0

## – Strategic Assessment

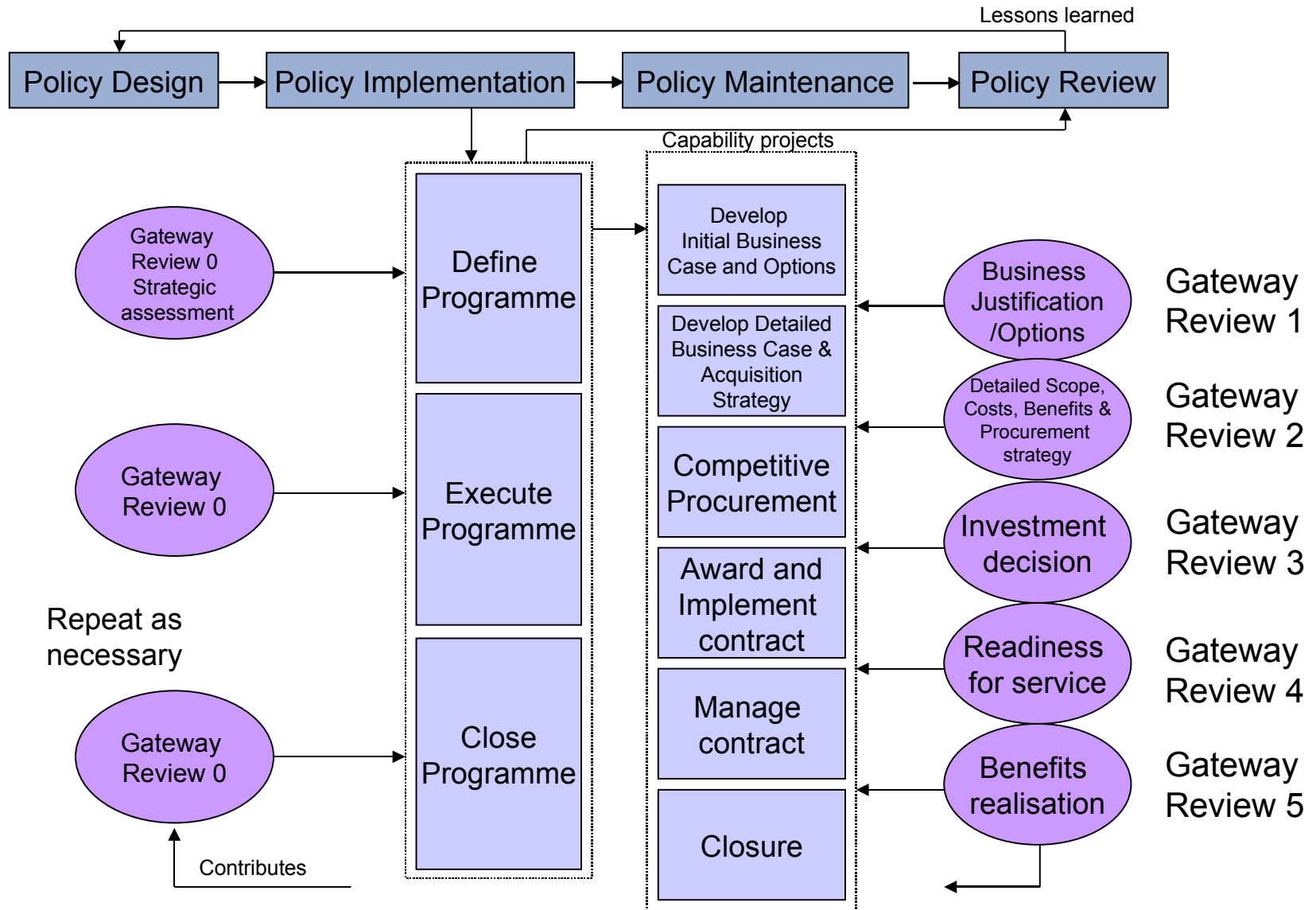
- Strategic reviews of projects or programmes
- Repeatable, e.g. when:
  - there are changes to desired outcomes
  - the way outcomes are delivered need to change
  - there are concerns over effectiveness of the programme
- Focus of review adjusted depending on type of programme and position in lifecycle



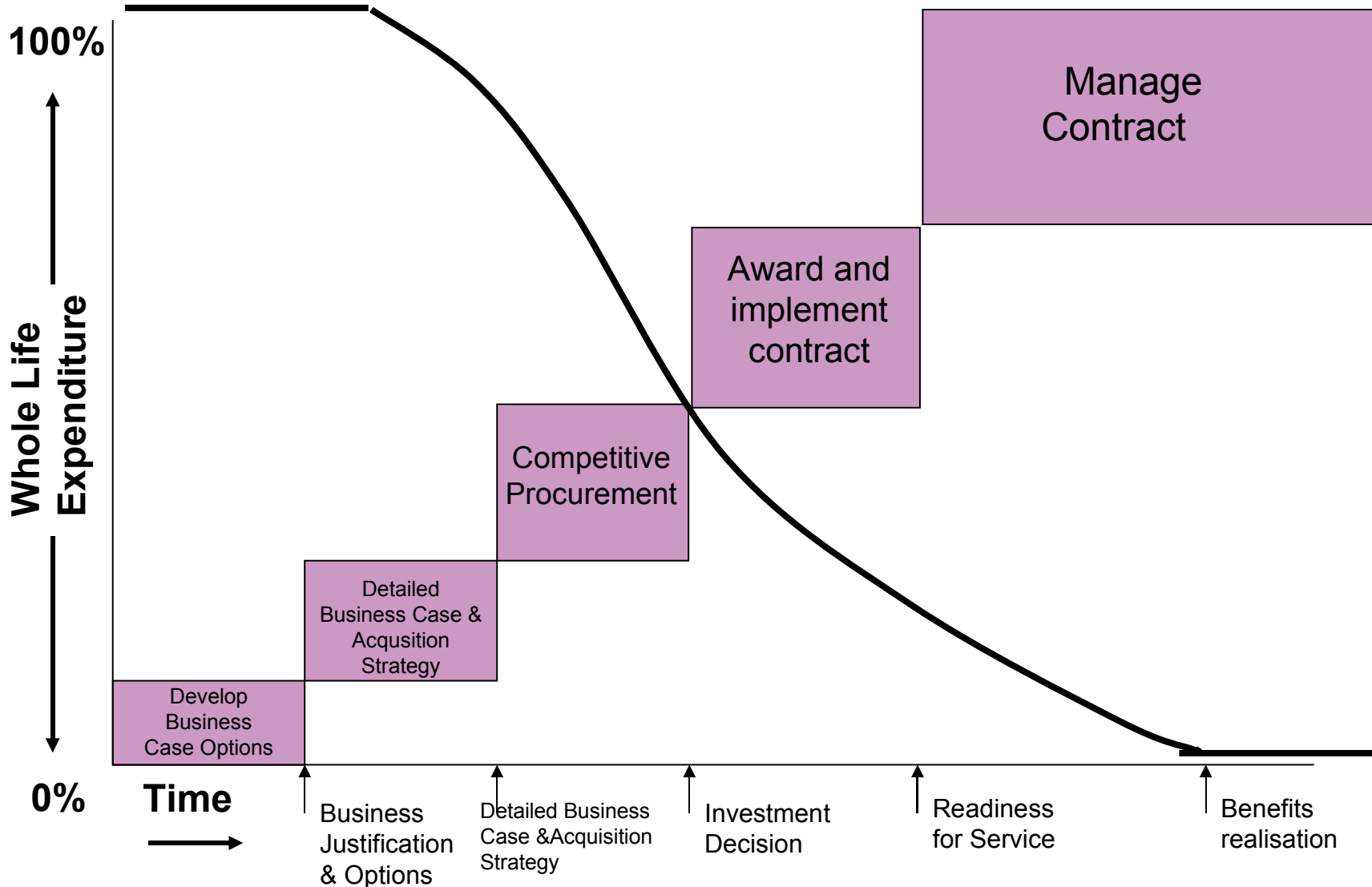
# Gateway Reviews - Projects

- *Gateway Review 1 – Business Justification and Options*
  - Indicative [Stage-1] Business Case
  - The need and support for the project, & options to solve the problem
- *Gateway Review 2 – Delivery Strategy*
  - Detailed [Stage-2] Business Case
  - The procurement strategy & detailed business case – costs/benefits/outcomes metrics + QRA
- *Gateway Review 3 – Investment Decision*
  - Competitive procurement [are the contract choices the right ones?]
- *Gateway Review 4 – Readiness for Service*
  - Contract award, rollout & implementation
- *Gateway Review 5 – Operational Review & Benefits Evaluation*
  - Manage contract

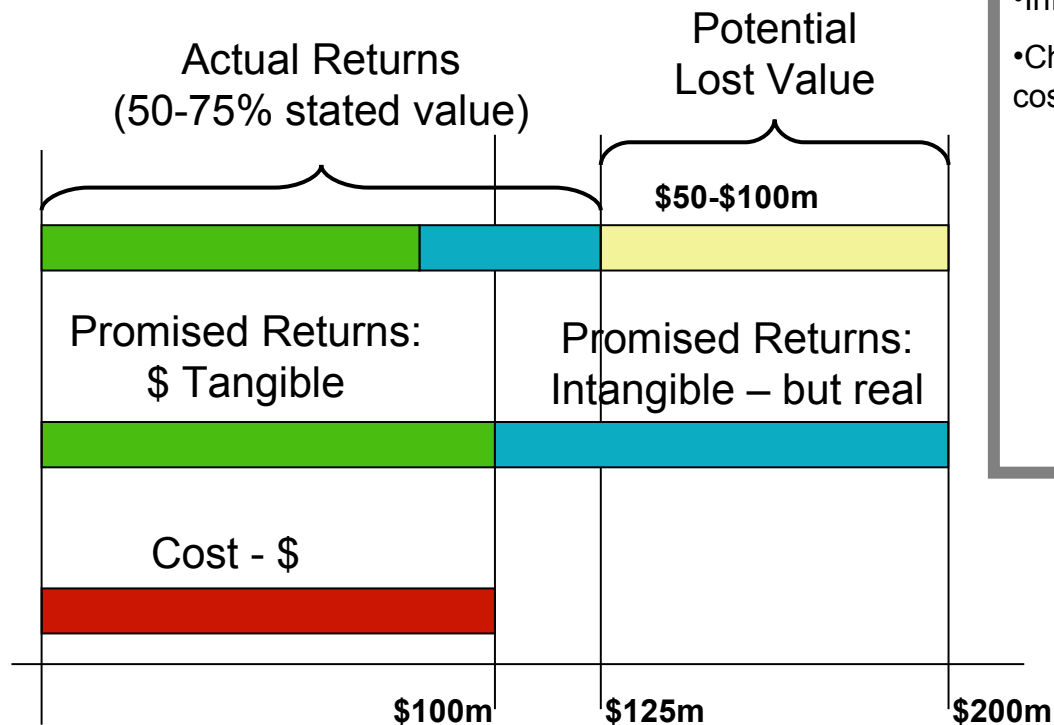
# Gateway Process



# Opportunity to Influence Project Outcomes

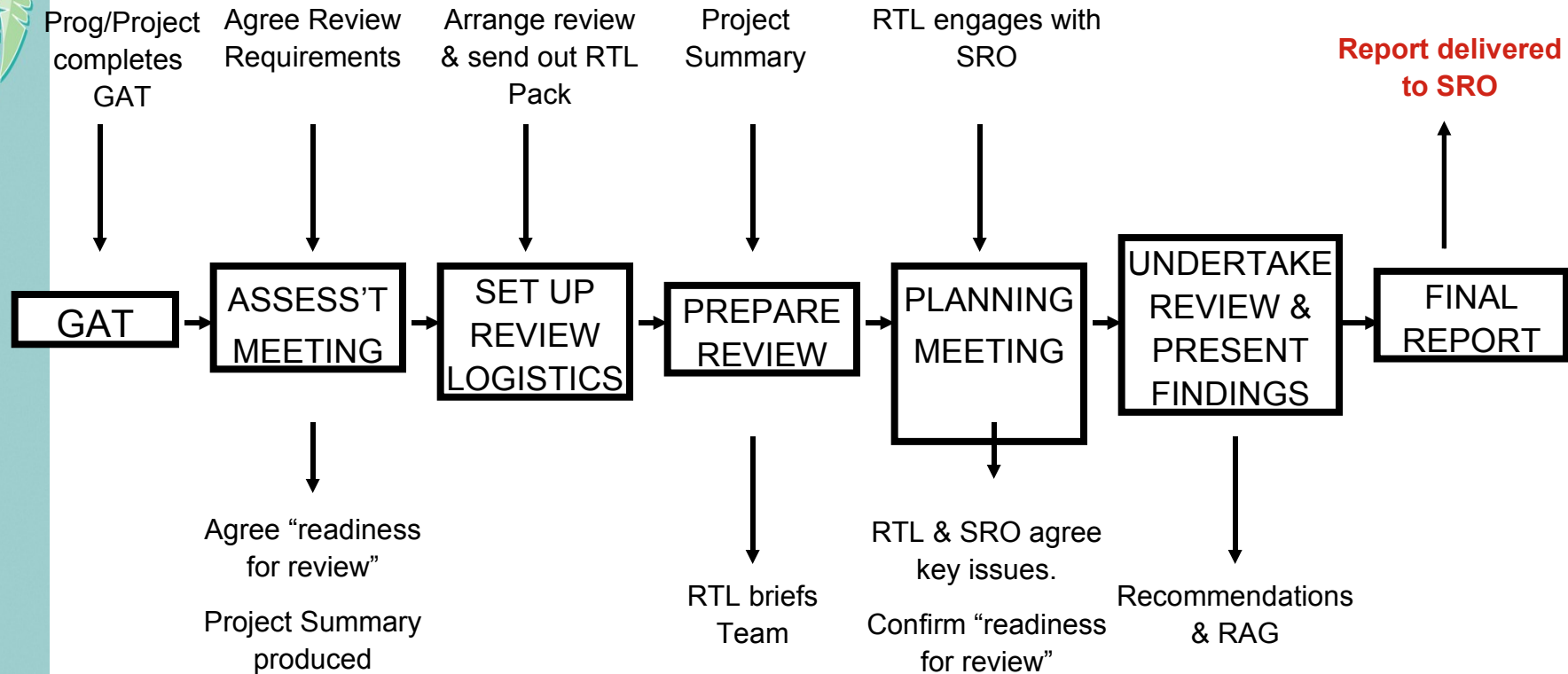


# Where Gateway Adds Value



- Infrastructure delivery the easy part
- Change Management, and Value (not cost) the hard part
  - Maximising connective value
  - Multiple Projects
  - Multiple Agencies
  - Information Networks
  - Information Management
  - National Infrastructure

# Overview of the Gateway Process





# Criticality of Recommendations

## Red

“take action immediately”.

## Amber

“actions on recommendations to be carried out before the next OGC Gateway Review”.

## Green

“may benefit from the uptake of the recommendations”.

Red does not mean STOP



# OGC Gateway™ Reviews: Key Lessons

Essentials for Programme/Project Success include:

- Robust Business Case (with pre-agreed Critical Success Factors)
- Adequate skills and resources
- Ongoing risk management process
- Clearly defined roles & responsibilities
- Effective stakeholder communication
- Sound financial controls
- Market knowledge and procurement advice
- Contract Management and delivery skills
- Scheduling and Planning
- Benefits realisation process



# Official Information Act

- The OIA applies
- Information may be withheld if it is necessary to maintain the effective conduct of public affairs through “the free and frank expression of opinion” by employees of a dept [Sn.9(2)(g)(i)]
- Similarly information may be withheld if its release may prejudice or disadvantage a department in a commercial negotiation [Sn. 9(2)(i)]
- Four of the six Gateway Reviews occur before contract signature



# Review Resourcing

- 20 reviews per year, rising to 50 pa over three years
- Review teams are 4 persons – 2 x govt, 2 x private sector
- 5 days review; 1 day planning mtg; 0.5 day reading time
- Trained, senior, capable government reviewers
- Best Value for Money private-sector reviewers NZ-trained  
Reviewers may register on Australian government web-sites for review work



# Reviewer Constraints

- No current or potential conflicts of interest permitted
- Information received during the course of a review shall not be used for any other purpose during or subsequent to a review, including for personal or business purposes
- No discussion of review details that might identify the project or sponsoring agency is allowed during or subsequent to a review
- Signed Deeds of Confidentiality are required
- Strict rules apply regarding use of brand and use of OGC Gateway materials:
  - Pre-Gateway Review “Reviews” are not permitted
  - By arrangement with UK OGC, only NZ SSC can authorise Gateway Reviews, accredit Reviewers, and provision training of Reviewers



# Gateway in Action

The Review Team

UK AEA

Education



# Getting into the System

- Reviewer Skills:
  - Strong interpersonal skills
  - Review Team Leaders (RTL)
    - Must first have been RTM
    - Typ 15 years experience managing large or high-risk projects (>\$25m)
    - Senior Business Management experience
  - Review Team Members (RTM)
    - Typ eight years experience managing (or delivering specialist domain advice on) large or high-risk projects; and/or
    - Recognised specialist in relevant Review skill areas (either project domain type or project life-cycle phase)
- Refer to SSC Web-site for details  
[www.ssc.govt.nz/gateway](http://www.ssc.govt.nz/gateway)



## Getting into the System cont:

- One Day Training and Awareness Workshops available
- Register for Gateway training with SSC Gateway Unit (state preferred date and alternative dates)
  - [gatewayunit@ssc.govt.nz](mailto:gatewayunit@ssc.govt.nz)
- Courses being run monthly
  - 27, 28, 29 August; 24, 25 September;
- Once trained - submit CV and Reviewer Profile registration form [www.ssc.govt.nz/gateway](http://www.ssc.govt.nz/gateway)
- Gateway Unit will contact you if suitable projects arise



# Key Messages

- ✓ A major projects/programmes QA methodology
- ✓ How Gateway operates – expert, confidential, free, peer-review
- ✓ For benefit of the project's Senior Responsible Owner only
- ✓ Neither Treasury nor SSC will see Gateway reports
- ✓ Adds value thru:
  - Costs avoided
  - Delivery of intangible value increased
  - Govt Change Management capabilities developed
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- ✓ SSC are piloting, and introducing processes and protocols
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# Gateway

## Delivering Success

*For more info email:*

***[gatewayunit@ssc.govt.nz](mailto:gatewayunit@ssc.govt.nz)***

*or web:*

***[www.ssc.govt.nz/gateway](http://www.ssc.govt.nz/gateway)***