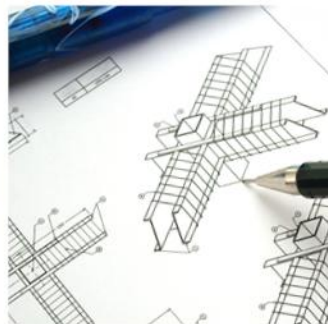


Project Assurance Workbook

Health Check in Delivery

How well is the project delivering against plans and objectives?



Document history

| Date of issue | Version | Prepared by | Description of changes | Approved by |
|---------------|---------|-------------------------|------------------------|------------------------------|
| 29 May 2025 | 1.0 | Infrastructure Tasmania | Final - Issued for use | Ben Goodsir, General Manager |
| | | | | |

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Introduction to project assurance

Project assurance provides independent reviews at key points, or gates, along the lifecycle of a project. These reviews are important for providing confidence to the Tasmanian Government that projects are being delivered on time, to cost and in line with government objectives.

The project assurance framework sets out guidance and minimum requirements for project assurance in Tasmania. Infrastructure Tasmania (ITas) is responsible for administering the framework, which sets out roles and responsibilities for ITas and delivery agencies in the process. It is the responsibility of the delivery agency to meet the framework's requirements.

Project assurances can consider an individual project, or a program consisting of a number of projects (including sector-specific or place-based programs). For the purposes of this workbook, the use of the term 'project' also covers the grouping of projects into a program.

The outcome of each project assurance is a review report. This document will include commentary and recommendations to assist the Senior Responsible Officer (SRO) within the delivery agency to develop and deliver their projects successfully.

How to use this workbook

For Health Checks in Delivery, the delivery agency is expected to demonstrate a robust delivery approach, healthy commercial relationships, effective monitoring, transparent progress reporting, and risk tracking and mitigation. Health Checks in Delivery should provide confidence that the project will be delivered on time, to budget and in line with the benefits outlined in the business case.

Health check workbooks support a consistent, structured approach to reviews. The workbooks define roles and responsibilities during reviews and assist delivery agencies and the review team to prepare.

| | | |
|-------------------|--|--------------------|
| Part A | For delivery agencies and review teams: <ul style="list-style-type: none">• background information on the review process• information on how the review process applies to projects. | PAGE 8 |
| Part B | For delivery agencies: <ul style="list-style-type: none">• guidance on how to initiate a review• documentation required. | PAGE 16 |
| Part C | For review teams: <ul style="list-style-type: none">• guidance on how to conduct a review. | PAGE 21 |
| Part D | For delivery agencies and review teams: <ul style="list-style-type: none">• areas for investigation across the seven key focus areas. | PAGE 27 |

Project assurance and agency assurance processes

The project assurance process provides recommendations and commentary to assist SROs and delivery agencies to improve projects and assets, with a focus on adding value through the expertise and experience of the review team.

A project assurance provides an independent snapshot of project status at a point in time. It is **not an audit or replacement for a delivery agency's internal governance**. Every Tasmanian Government agency should have its own governance structures and resources in place to regularly track, report and undertake internal reviews on its portfolio of projects.

Within the project assurance framework, there are 10 different reviews that can be undertaken across the project lifecycle, including specific gate reviews as well as health checks and deep dive processes. Agencies are not expected to undertake every review during the planning and delivery of a project. As part of the project registration process with Infrastructure Tasmania, an appropriate approach to project assurance will be considered in collaboration with agencies.

Why do health checks?

The Tasmanian Government requires assurance across its capital programs that expected services and benefits will be delivered on time, on budget and in line with government objectives. Project issues and risk management should be transparent, with delivery agencies identifying and mitigating problems before there is an impact on the project, or community and stakeholder outcomes.

Types of health checks

Health checks are independent expert reviews completed by a review team, comprising experienced practitioners selected by ITas to meet the specific needs of the project. A health check adds value to the project by providing 'point in time' insight into project elements potentially impacting on successful development and delivery. Health checks are initiated as planned, unplanned or prompted activities.

Health checks can be undertaken in the development stage, procurement stage or delivery stage of a project. The health checks for each of these stages review the progress of the project against the seven key focus areas. Part D of this workbook includes questions under each key focus area to assist the review team and guide the review.

Each of the health checks (development, procurement, delivery) take a general approach based on the project's lifecycle stage. In addition, each health check can consider specific project activities. Part D of this workbook also contains general additional questions that the review team can choose to include in the review process to target specific activities or issues.

As with other reviews, terms of reference for each health check will be agreed and can ask the review team to focus on certain aspects of the project. This is particularly important for health checks, which can have a relatively broad remit.

In summary, the types of health checks are as follows.

Health Check in Development, which can include a focus on:

- options analysis and appraisal
- procurement strategy
- market engagement.

Health Check in Procurement, which can include a focus on:

- market engagement
- procurement strategy and contract structure.

Health Check in Delivery, which can include a focus on:

- mobilisation
- lessons learnt.

The outcome of a health check will be a review report commenting on the project development or delivery confidence, including a series of recommendations aimed at improving the project.

Health check principles

The following principles apply to the conduct of a health check.

- **Relevant and aligned** – the delivery agency should be transparent in the information presented for the review.
- **Efficient and flexible** – the terms of reference are agreed, appropriate to the stage and phase of the project and can target specific known, potential or emerging issues.
- **Add value** – collaborative and cooperative discussion focused on project issues is essential. Constraints on the delivery agency in terms of resourcing, commercial parameters, level of influence and government policy should be viewed as practical considerations.

The following additional points apply.

- The review team members are selected for their skillset and as far as practicable to match to the project's type, needs, stage, scale and complexity.
- The workbook structure, terms of reference and report template are followed by the review team.
- All parties focus on value-adding to the project and making themselves available to this critical process.
- Review report commentary and recommendations are focused on practical issues and outcomes.
- All review reports are considered confidential and Senior Responsible Officers are considered the owner of the final report at the finalisation of the review process.






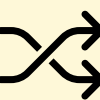
Conducting a health check

Health checks follow the same format as gate reviews, with the indicative steps and timeframes shown in the following table.

| Step | Activity | Timing |
|------|--|-------------|
| 1 | Project approaches milestone, delivery agency checks readiness for a review and contacts ITas. | Planning |
| 2 | ITas and the delivery agency confirm the review dates. | |
| 3 | ITas confirms and appoints reviewers. | |
| 4 | ITas prepares the terms of reference in discussion with the SRO and delivery agency. | |
| 5 | Delivery agency completes the required templates (see Part B) and provides them to ITas. | |
| 6 | Project planning meeting organised by ITas to formally commence the review process. | Week 1 |
| 7 | Review documents are released to the review team. | |
| 8 | Review days (hosted by the delivery agency – up to three days if required): <ul style="list-style-type: none"> Day 1 – Interviews Day 2 and 3 – Interviews/report preparation. The time required should be agreed in discussion between the delivery agency, review team leader and ITas, and include debrief sessions at the end of each day of interviews. | Week 2 |
| | | Week 3 |
| 9 | Review team presents and discusses draft review report with the SRO and provides feedback through ITas. | Week 4 |
| 10 | Review team provides a draft review report to the SRO through ITas. | |
| 11 | Delivery agency fact checks final draft review report and provides responses to the recommendations to ITas which will liaise with the review team for finalisation. | Week 5 |
| 12 | Final review report incorporating response to recommendations finalised by the review team, which is provided to the SRO through ITas. | |
| 13 | Post-review survey sent out to delivery agency and review team by ITas. | Post-review |

Key focus areas

At the end of the health check, the review team will rate the project against seven key focus areas.

| Key focus areas | | Description applicable to the health check |
|---|--|--|
|  | Service need | Identification of the problem or opportunity and the service need, along with the drivers for change. Demonstrated alignment to government policy or strategy and evidence of demand for the potential new services or enhancements. |
|  | Value for money and affordability | Ensure value is delivered by maximising benefits at optimal cost. Evidenced by a clearly defined scope, a cost-benefit analysis and a robust cost plan to an appropriate level of detail for the lifecycle stage of the project. An assessment of potential or confirmed sources of funds. The whole-of-life, capital and operational cost impacts have been considered. |
|  | Social, economic and environmental sustainability | <p>Understanding the project's long-term impacts, opportunities and obligations. These can be social, environmental or economic. Ensuring the project delivers a positive legacy for the community. Areas explored include:</p> <ul style="list-style-type: none"> • socio-economic equity • resilience to climate change and potential sustainability initiatives • effective place making • integration with broader asset networks • asset adaptability (including technological change) • interface with heritage • the robustness of the project's planning approvals processes. |
|  | Governance | Robust governance means clear accountabilities, responsibilities and reporting lines are identified, and decision making and approvals are appropriate and understood. The SRO and project team must have the required culture, capability and capacity. |
|  | Risk management | Ongoing identification and active management of risks and opportunities, using a structured and formal methodology. |
|  | Stakeholder management | Ongoing identification and proactive management of stakeholders, both internal and external to government, using a structured and robust framework appropriate to the stage in the project lifecycle. |
|  | Asset owner's needs and change management | Demonstration of how change will be managed in the areas of people, organisation, network and systems as the asset enters operations. Proactive management of the handover impacts through the lifecycle of the project. Demonstrated consideration of issues and risks pertaining to the asset manager, operator and end users. |

Review ratings

Overall confidence rating (confidence in successful delivery)

The review team will assign the project an overall confidence rating.

| | | |
|---------------|---|--|
| Low | Successful delivery of the project is in doubt, with major risks or issues apparent in a number of key areas. Urgent additional action is needed. | The project may need re-baselining and/or the overall viability reassessed. |
| Medium | Successful delivery is feasible, but significant issues exist which require timely management attention. | These issues appear resolvable at this stage and, if addressed promptly, should not impact on cost, time or quality. |
| High | Successful delivery of the project to time, cost and quality appears highly likely. | There are no major outstanding issues that at this stage appear to threaten delivery significantly. |

Individual recommendations (criticality)

Individual recommendations are classified as either critical (red) or essential (amber) as per the diagram below. Green is used for recommendations strengthening good practice.

| | |
|----------------------|---|
| Critical | Action required. This item is critical and urgent. The project team should take action immediately. |
| Essential | The recommendation is important but not urgent. The project team should take action before further key decisions are taken. |
| Good practice | The recommendation is not considered critical or urgent, but the project may benefit from implementing this recommendation. |

This ensures recommendations are focused on criticality for project success, while still capturing opportunities to embed good practice across project delivery and leadership.

Key focus areas

Each report will provide an assessment of the following key focus areas:

- service need
- value for money and affordability
- governance
- risk management
- stakeholder management
- asset owner's needs and change management
- social, economic and environmental sustainability.

The key focus areas are rated using the following definitions:

| | |
|---------------------|---|
| Strong | There are no major outstanding issues that at this stage appear to threaten delivery. |
| Satisfactory | There are issues that require timely management attention. |
| Weak | There are significant issues in this key focus area that may jeopardise the successful delivery of the project. |

Health Check in Delivery
Project Assurance Workbook

PART A:

Background on project assurance and the risk based approach

For delivery agencies and review teams

Project assurance in Tasmania

The Tasmanian Government has adopted a formal project assurance framework for infrastructure projects valued at \$50 million and above, being developed and/or delivered by Tasmanian Government agencies.

Infrastructure projects valued over \$10 million can be referred for review at the discretion of Budget Committee, portfolio ministers or heads of agencies.

The framework takes a risk based approach to investor assurance. Each project is assigned one of three risk based project tiers (considering risk criteria as well as the value and profile of the project) and this determines the potential assurance pathway for the project. For projects assessed to have higher risk/profile/value, the assurance pathway prescribes progressively greater levels of scrutiny.

Gate reviews, health checks and deep dives

Gate reviews are short, focused and independent expert reviews held at key points in a project's lifecycle. They are appraisals of infrastructure projects that highlight risks and issues which, if not addressed, may threaten successful delivery. Gate reviews may be supported by periodic health checks which assist in identifying issues which may emerge between decision points. Deep dives are conducted at any stage of a project's lifecycle but focus on a few major issues that have been identified and are based on the terms of reference. Health checks and deep dives, when required, are also carried out by independent expert review teams.

The results of each gate review, health check and deep dive are presented in a review report that provides a snapshot of the project's progress to strengthen outcomes.

Improving outcomes

Infrastructure Tasmania (ITas) seeks to share aggregated lessons learnt and good practice across delivery agencies, through the interdepartmental Infrastructure Delivery Committee. This has been established to bring together practitioners to share their insight of the development, procurement and delivery of capital infrastructure projects.

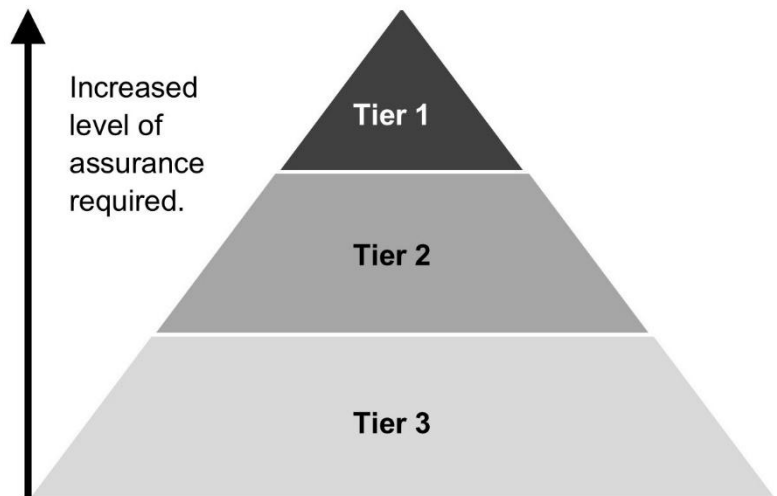
Risk based approach to project assurance

In taking a risk based approach, reviews can be adapted to fit the requirements of all projects.

Registration is mandatory for all capital infrastructure projects with a total estimated cost of \$50 million or greater. It is the delivery agency's responsibility to register projects. The risk tier of a project is determined when it is registered with ITas.

The risk tier of a project is determined when it is registered with ITas. Projects are assigned a tier from 1 to 3. Tier 1 is the highest level of risk and therefore greater scrutiny is placed on those projects, with greater frequency of gate reviews, health checks, reporting and project monitoring. The assurance pathway is determined at project registration but may change over time through discussions with ITas and the delivery agency.

The objective is to ensure that the appropriate level of attention is given to projects as they are developed and delivered, so that government can optimise community benefits. Agencies are expected to have robust portfolio and program management practices in place, to manage issues and risks for both individual projects and across all capital portfolios.



Overview of gate reviews

Gate 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 gates occur at a point within a project phase, timed to inform government decision making and project progression.

| Project phase | Lifecycle phase | Gate | Informs |
|----------------------|-----------------------------|---------------------------|---|
| Initiate | Establish mandate | 0 - Project registration | Assess risk and sequence appropriate reviews. |
| Plan and development | Strategic analysis | 1 - Project justification | Proceeding to develop the business case. |
| | Investment decision | 2 - Business case | The investment decision. |
| Procurement | Prepare for market | 3 - Readiness for market | Readiness to release procurement documentation. |
| | Competitive procurement | 4 - Tender evaluation | Robustness of the evaluation process and readiness to mobilise. |
| Execute | Award contract and delivery | 5 - Readiness for service | Readiness of the asset to enter service/operations. |
| Close | Completion | 6 - Benefits realisation | Benefits promised have been delivered. |

Project assurance review process

Each gate review has a clear purpose, reflecting the increasing requirement for certainty as a project moves through its lifecycle. Health checks and deep dives are reviews conducted at any point through the project lifecycle. All gate reviews, 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 ITas based on their independence from the project, experience and expertise.

Gate 0 – Project registration

As project development is at an early stage in the project lifecycle, Gate 0 is the registration process for a project, undertaken by ITas. The Gate 0 report provides an opportunity to consider the project assurance pathway for an individual project.

Gates 1 to 5 – Project development and delivery

Gate reviews 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 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.

Health checks and deep dives

Health checks are similar to gate reviews. They follow the same format to address and rate overall delivery confidence, as well as the seven key focus areas.

Health checks may be conducted at any stage of the project lifecycle but are most likely to be of value when there are long durations between gates. Health checks are useful to identify any emerging issues between key decision points.

Deep dives have 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).

Gate 6 – Benefits realisation

The purpose of the Gate 6 benefits realisation report is firstly to support the close out of the delivery stage, and secondly to assess delivery against the government's purpose and benefits in choosing to invest in the project. The report is to be finalised 4–8 months from the date of first operations.

Instead of a review team, ITas appoints an independent expert lead reviewer to work with the responsible agencies to complete the Gate 6 report, following a structured template. The most appropriate agency leads the preparation of the initial draft and then the lead reviewer completes the draft content of the report, including the overall rating and recommendations. The lead reviewer then provides the Gate 6 report for review and finalisation.

Review reports

The primary output of any project assurance review is a high-quality written report, which follows the appropriate review report template. It includes an executive summary, commentary on each of the seven key focus areas, review ratings, the recommendations table, and observations of good practice or areas of opportunity. The review report will also cover other matters identified in the terms of reference.

The primary purpose of the review report is to inform project progress and key issues impacting decision making. The review team provides a rating of how well the project team has addressed each key focus area, and an overall rating of the level of confidence in the project's development and delivery. Once finalised, the review report is provided to the Senior Responsible Officer (SRO) and ITas. The delivery agency is expected to act on the recommendations documented in the review report.

Report distribution

- Health check reports are considered the property of the delivery agency and are provided directly to the SRO.
- Review team members must not distribute copies of any versions of review reports directly to delivery agencies, project teams or any other party.
- The review team leader sends the draft review report to ITas for distribution.
- The review report must not be distributed outside of the responsible delivery 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 ITas in accordance with the protocols outlined in the project assurance framework.
- The final review report must not be distributed to any other parties unless directed by the delivery agency.
- The SRO or delivery agency head may distribute the final review report at their discretion, having regard to the confidential nature of the report.

SIIRP

The Department of Treasury and Finance administers its own review and assessment process for government sector infrastructure investment proposals, called the 'Structured Infrastructure Investment Review Process' (SIIRP). Under SIIRP, infrastructure investment proposals are subject to a series of decision points before being considered for funding through the State Budget process and must meet reporting requirements throughout the life of the project.

Given the processes involved with the project assurance framework, the departments of State Growth, and Treasury and Finance maintain regular liaison and collaboration efforts to ensure appropriate alignment between SIIRP and the framework to reduce unnecessary duplication where possible.

What does project assurance not do?

A project assurance review is not an audit. The reviews are intended to be confidential and constructive, providing an expert assessment of a project's status and recommendations to support the successful delivery of the project.

Delivery agencies should note that reviews will not:

- make an enforceable recommendation to halt a project
- 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
- represent a government decision in relation to funding, planning, approvals or policy.

Roles and responsibilities within a review

The typical roles and responsibilities within a project assurance review are outlined below:

| | Role | Responsibility |
|---|--|--|
| Senior Responsible Officer (SRO) | The delivery agency executive (usually the Secretary or Deputy Secretary) with strategic responsibility, who is the single point of overall accountability for project, including responsibility for governance and of benefits. | <ul style="list-style-type: none"> • Delegate (in writing) appropriate work activities to the project team. • Endorse the project risk profiling assessment, and agree to the terms of reference, names of interviewees and documents shared with ITas. • Actively engage with ITas and the assurance review team, including fact checking queries. • Provide responses to the draft report recommendations. • Owns and is responsible for addressing or remedying any recommendations in the final report. |
| Review team | To undertake a gate review, health check or deep dive in line with the agreed terms of reference. | <ul style="list-style-type: none"> • Undertake a confidential, independent assurance review in line with the terms of reference. • Write a draft and final report setting out the findings and reasoning for the assurance review and share with ITas and the SRO. |
| Delivery agency | To develop and/or deliver a project that will undergo a gate review, health check or deep dive. | <ul style="list-style-type: none"> • Nominate an SRO. • Make resources available to support successful delivery of the project and assurance reviews. |
| Infrastructure Tasmania (ITas) | To administer and review the framework. | <ul style="list-style-type: none"> • Work with delivery agencies to ensure that a project is risk profiled and assigned a risk-based tier rating. • Establish and administer project assurance panel comprising experts with skills, experience and capability across relevant infrastructure sectors and project delivery. • Appoint Assurance Review Teams with expertise specific to each project. • Guide and coordinate the gate review, health check or deep dive. • Monitor quality, scope and consistency of assurance reviews. <p>(continued over)</p> |

| | Role | Responsibility |
|--|--|---|
| | | <ul style="list-style-type: none"> • Provide regular high-level performance reports to agencies and government, including commentary on recommendations, as/if required. • Collect and analyse data and insights to identify common issues, common themes, data trends and analytics to be included in an annual report. • Work with agencies, industry and assurance review teams on how to best address challenges at a whole of government level. • Explore opportunities to share lessons and insights across government agencies and project management communities. • Maintain and continuously review policy, process and provide advice to government. |
| ITas Steering Committee | The delivery agency executive (usually the Secretary or Deputy Secretary) with strategic responsibility, who is the single point of overall accountability for project, including responsibility for governance and of benefits. | <ul style="list-style-type: none"> • Delegate (in writing) appropriate work activities to the project team. • Endorse the project risk profiling assessment, and agree to the terms of reference, names of interviewees and documents shared with ITas. • Actively engage with ITas and the assurance review team, including fact checking queries. • Provide responses to the draft report recommendations. • Owns and is responsible for addressing or remedying any recommendations in the final report. |
| Infrastructure Delivery Committee | To undertake a gate review, health check or deep dive in line with the agreed terms of reference. | <ul style="list-style-type: none"> • Undertake a confidential, independent assurance review in line with the terms of reference. • Write a draft and final report setting out the findings and reasoning for the assurance review and share with ITas and the SRO. |

Health Check in Delivery
Project Assurance Workbook

PART B:

Initiating and preparing for a Health Check in Delivery

For delivery agencies

How to use part B

Part B assists delivery agencies to prepare for the Health Check in Delivery, including collating documentation and preparing for the project briefing and interviews.

Informing project delivery confidence

A Health Check in Delivery provides an assessment of the delivery confidence for the project, with a focus on delivery on time, to cost and in line with the benefits outlined in the business case.

The primary focus of a Health Check in Delivery is the efficient management and progression of infrastructure projects through the delivery stage. A Health Check in Delivery responds to the seven key focus areas as gate reviews for gates 1 to 5 and uses the same project rating approach as gate reviews for gates 1 to 6.

Health check

| | |
|----------------------------|---|
| Project phase | Execute |
| Lifecycle phase | Award contract and delivery |
| Key question | How well is the project delivering against plans and objectives? |
| Review deliverables | <ul style="list-style-type: none">• Current schedule• Current cost estimates• Steering committee and monthly reports• Governance structure |

Depending on the timing of the Health Check in Delivery and the project's circumstances, the review may take a general approach, or focus on project mobilisation or lessons learnt. Terms of reference will guide any specialist requirements for the review.

Part D of this workbook contains general questions applicable to all Health Checks in Delivery. For Health Checks in Delivery with a targeted focus, additional questions are provided in Part D to assist in guiding the review.

The delivery agency should provide documentation and evidence of the project's progress, including delivery fundamentals such as schedule, status of scope, ongoing identification of risks, status of budget and robustness of governance to support the review. It may also be appropriate to include information covering issues such as planning approvals, environmental concerns, construction conflicts and stakeholder issues, and interfaces with other projects of packages.

The delivery agency should be able to demonstrate healthy and productive commercial relationships, good project management discipline and strong governance.

Health check review and documents

The delivery agency is responsible for initiating a project assurance review at the appropriate time. Agencies should seek authorisation as required and the review should be led by the Senior Responsible Officer (SRO) within the delivery agency.

Review teams require evidence that work has been completed, but documentation should not be created solely for a project assurance review. It is intended that delivery agencies **use existing project documentation**.

For a Health Check in Delivery, documents should exist that include information relating to status of the asset delivery, planning for commissioning and preparation for operations. The table below highlights the information required to assess the project against the seven key focus areas. In collating the documents, it may also be useful to refer to Part D of this workbook.

The delivery agency must complete a document register for the review team. Typically, no more than 30 documents that are most relevant to the project should be provided.

| Required information to support Health Checks in Delivery (if requested by review team) |
|---|
| Presentation providing an executive overview of the project. |
| Records of contract departures and major scope changes. |
| Status of budget, cost to complete estimate, variations and projections. |
| Planning approval status, conditions of consent and ongoing approvals. |
| Structure and responsibilities of the project and delivery teams (governance). |
| Project schedule, showing milestones and any issues potentially impacting delivery. |
| Risk register or matrix with evidence of active risk identification, management and mitigation and confirming contingency remains sufficient to cover operational handover risks. |
| Stakeholder engagement and evidence that stakeholders understand the impacts and timelines through delivery and for commissioning and transition to operation. |
| Evidence that an end-user benefits management plan has been developed appropriate to delivery progress. |
| Evidence of constructive, collaborative and productive relationships with the delivery contractor. |
| Information on how the asset owner/operator and end users are being involved in the delivery stage. |

Initiating the health check

The delivery agency contacts Infrastructure Tasmania (ITas) to initiate the review.

On initiation of the review, ITas will initially prepare a project assurance plan in collaboration with the delivery agency, help draft the terms of reference and when appropriate appoint the review team. The delivery agency uses this time to collate project documentation and coordinate interviewees.

The review commences with the release of the project supporting documents to the review team. This is followed by the planning meeting and interviews.

ITas will assist the delivery agency to agree:

- dates for the planning meeting and interview day(s)
- any urgency in the completion of the review report
- any issues to be covered in the terms of reference.

Terms of reference for the review

In consultation with the SRO and delivery agency, ITas will help draft the terms of reference for the review and provide them to the review team prior to the commencement of the review. The terms of reference provide the review team with important project-specific information and identify aspects of the project that ITas and/or the delivery agency see as issues. The terms of reference should be used in conjunction with the appropriate project assurance review workbook.

Delivery agencies should collate sufficient evidence and schedule appropriate interviewees to address the terms of reference.

Planning meeting

The planning meeting is an opportunity for the review team, SRO and ITas to discuss and agree the terms of reference, supporting documentation, interviewee list and interview schedule. Supporting documentation is usually provided either prior to or after the planning meeting, with interviews scheduled to take place approximately two weeks later.

Participation and interviews

The delivery agency must provide an interview list and interview schedule for the review team and for inclusion in the review report. The interviewee list and schedule templates are included in the Health Check in Delivery suite of documents.

The delivery agency prepares an interview schedule and provides it to the review team and ITas for comment. The review team has discretion over the final list of interviewees and, if deemed necessary, can request additional interviewees, which the delivery agency must then arrange. The interviewees nominated should be appropriate to cover each of the seven key focus areas and the terms of reference.

Typically, interviewees for a Health Check in Delivery will include the:

- SRO
- Project Manager/Director
- manager responsible for risk
- project team members, including design, cost planning, scheduling, planning approvals and communications
- representatives of the delivery contractor
- representatives of the intended operator or network manager
- stakeholders from other agencies or user groups
- other interviewees appropriate to specific issues.

An interviewee information sheet is available on the ITas website and it may be useful for the agency to provide this to interviewees unfamiliar with the review process.

Draft and final review report

The review team will prepare a draft review report and provide it to ITas in the first instance and then to the SRO.

The SRO then:

- checks the report for factual accuracy and provides marked-up corrections of any factual issues in the commentary (this does not extend to challenging or rewriting review team observations, professional opinions or recommendations)
- provides responses to the recommendations made in the draft report in the table provided
- returns report to ITas which will liaise with the review team for finalisation.

The report only becomes final once the review team has reviewed and approved the updated report and the agency's responses.

ITas will send a copy of the final review report to the SRO.

Health Check in Delivery
Project Assurance Workbook

PART C:

Conducting a Health Check in Delivery

For review teams

Health Check in Delivery approach

A Health Check in Delivery occurs during the delivery stage of a project in response to the emergence of actual or potential project issues.

The review team should use this workbook to guide the assessment of the **delivery confidence in the project, covering time, cost, quality and any other specific issues noted in the terms of reference** and to provide a robust commentary against each of the seven key focus areas.

The outcome of a Health Check in Delivery will provide confidence to government that the project is progressing through the delivery stage, and key risks are being identified and mitigated.

Health check

Health checks are conducted through an examination of the project documentation provided, and interviews with project team members and stakeholders. The review is structured around the seven key focus areas and is informed by the terms of reference.

Typically, a health check includes:

- project documentation released to the review team
- a planning meeting attended by the delivery agency Senior Responsible Officer (SRO) and Infrastructure Tasmania (ITas)
- interview day(s) organised by the delivery agency with daily debrief sessions between the review team and SRO
- a review report drafted by the review team
- a review debrief with the SRO organised by the delivery agency, and attended by the review team leader and ITas
- finalisation of the review report and issue to the delivery agency.

Project assurance review team

For each review, ITas selects the review team from the review panel. Typically there are three members, but this can vary depending on the review requirements. One of the review team members will be assigned as the review team leader.

Each member of a review team must be independent of the project. Reviewers must immediately inform ITas of any potential or current conflict of interest that arises prior to or during the review. This may preclude them and/or their organisation from participating in the review in any capacity.

ITas seeks to appoint a review team with the mix of skills and expertise to allow the team to expertly address each of the seven key focus areas, as relevant to the project stage and the nature of the project. Each member is expected to contribute within their area of expertise, work collaboratively with their review team colleagues and take responsibility for producing a high-quality written review report using the appropriate template.

Review team principles and behaviour

The review team is expected to add value to the development and delivery of the project 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 the terms of reference for the review
- providing a review report that clearly highlights substantive issues, their causes and consequences
- providing specific and actionable recommendations.

Project assurance reviews are not adversarial or a detailed assessment of management plans and project team deliverables. ITas requires professional and respectful behaviour during the review.

Review communication protocols

| Topic | Details |
|-------------------------------|---|
| Report confidentiality | <ul style="list-style-type: none">• Review reports are primarily for the consideration and noting of the SRO and delivery agency to support delivery of a successful project, to assist in making decisions about the project or to take action as required.• All review reports are ultimately owned by the SRO and delivery agency.• All participants must keep all information and documents confidential at all times.• Review team members must not directly contact the delivery agency or stakeholders without the permission of ITas. |
| Report distribution | <ul style="list-style-type: none">• Review team members must not distribute copies of any versions of review reports directly to delivery agencies, project teams or any other party.• The review team leader sends the final draft of the review report to ITas for review and distribution.• There is no informal element to a review or the review report. A review report is not to distributed without permission of ITas.• The review team may not keep any copies of any version of the review report, or supporting documents, following submission to ITas. |
| Review debrief | <ul style="list-style-type: none">• ITas and the review team leader will agree on the process and timing to conduct a review debrief with the delivery agency following the development of the review report. ITas will liaise with the SRO to approve the agency representatives that attend the debrief.• There is no informal element to reviews. A debrief to the SRO or any agency executive must not occur without the approval of ITas. |
| Report format | <ul style="list-style-type: none">• All review reports must include a document control table.• All review reports must include a list of people interviewed by the review team.• All reports from the review team to ITas are to be in Microsoft Word format. |
| Report transmittal | <ul style="list-style-type: none">• The delivery agency SRO is the ultimate owner of the final review report and is responsible for document circulation. |

| Topic | Details |
|-------|--|
| | <ul style="list-style-type: none"> ITas will keep a record of the final review report for metrics and trend reporting use only. All participants should minimise the use of hard copies of delivery agency documents and must not keep documents in any form following the review. |

Conducting a targeted health check

ITas will inform the review team if the Health Check in Delivery has a targeted focus and this will be reflected in the terms of reference.

A Health Check in Delivery may focus on:

- mobilisation
- lessons learnt.

When a Health Check in Delivery takes a focused approach, the review team must cover the additional relevant questions posed under each of the seven key focus areas. These questions are provided in this workbook.

Health check report

The **primary output** of a project assurance review is a high-quality written review report that is candid and clear, absent of errors, and without contradiction or inconsistencies.

The **primary purpose** of the review report is to provide commentary and recommendations to the delivery agency SRO to support successful project delivery.

The review team should utilise the appropriate review report template, incorporating the review ratings and the review recommendations table. The terms of reference form part of the review report.

Review reports must include:

- an executive summary that addresses the review team's key findings, and includes the recommendations rated as critical and the overall review rating with a succinct justification
- commentary, including a rating, on the project's response to each of the seven key focus areas
- relevant recommendations under each key focus area, listed, justified and rated (consistent with the ratings guide)
- commentary under 'other matters' for issues that do not fit within the seven key focus areas (including issues identified in the terms of reference)
- a recommendations table in the format provided by ITas, including each recommendation with its rating and categorisation by theme (see next page).

Key theme assessment

ITas is required to prepare a report each year on key themes emerging across all reviews. This relies on an analysis of the review recommendations categorised according to 18 key themes. Review teams are requested to assign one of the 18 key themes to each recommendation made.

| Key themes | Key matters for consideration |
|---|--|
| Quality of the business case | <ul style="list-style-type: none"> • Case for change is not clearly or sufficiently articulated and justification for the investment is not substantiated. • Analysis, assumptions or documentation lack rigour and clear articulation. |
| Governance | <ul style="list-style-type: none"> • Governance frameworks are not fit-for-purpose or understood. • Lack of definition around roles, poor understanding of responsibilities and decision making frameworks, and single-point accountability. • Lack of active senior-level support. |
| Discipline in risk management | <ul style="list-style-type: none"> • Key project risks overlooked, missed or not adequately considered. • Risk management strategy/plan requires strengthening, mitigation measures and contingency management have not been developed or are not up to date. |
| Stakeholder engagement | <ul style="list-style-type: none"> • Stakeholder strategy/management plan is missing or not up to date. • Lack of adequate stakeholder consultation, and/or stakeholder views/concerns have not been considered and addressed appropriately. |
| Benefits realisation | <ul style="list-style-type: none"> • Lack of a benefits realisation framework strategy/plan, or does not adequately identify, quantify or assign responsibility for benefits. |
| Project resourcing | <ul style="list-style-type: none"> • The resource plan for current and next stages in the project lifecycle have not been developed, the resources identified are not adequate, or key roles lack appropriate capability and expertise. |
| Project management and reporting | <ul style="list-style-type: none"> • Inadequate project management, scheduling discipline or project controls. • The schedule has not been appropriately developed and is not reflective of the project's risks and timing. |
| Procurement | <ul style="list-style-type: none"> • Inadequate procurement strategy or planning, or documentation does not ensure transparency in the decision making process. • Delivery strategy not appropriately detailed and project staging not addressed. |
| Options analysis | <ul style="list-style-type: none"> • Identification or assessment of options to meet service need is inadequate. • Alternative options, including a realistic base case, are poorly justified. • Lack of a clear justification for the preferred option. |
| Commercial capability | <ul style="list-style-type: none"> • Insufficient rigour, process and accuracy around cost estimates and contingency estimating, planning and management. |

| Key themes | Key matters for consideration |
|---|--|
| | <ul style="list-style-type: none"> Funding for the next phase not confirmed or allocated, gaps in project funding, lack of suitable funding strategy. |
| Approach to planning and approvals | <ul style="list-style-type: none"> Pathway to planning consent in a timely manner not identified or articulated. |
| Change management | <ul style="list-style-type: none"> Lack of an effective mechanism to identify the changes necessary to achieve project outcomes. Inadequate change-management plan. |
| Operational readiness planning | <ul style="list-style-type: none"> Inadequate mechanisms to ensure readiness planning, prioritisation, management and operation. Operational governance and management structures not determined or established. |
| Sharing knowledge across government | <ul style="list-style-type: none"> Inadequate processes to capture and share lessons learnt (errors and successes). |
| Integration with precinct across services | <ul style="list-style-type: none"> Inadequate consideration of interfacing networks, precincts, projects and services. |
| Understanding government processes | <ul style="list-style-type: none"> Relevant Tasmanian Government guidelines, frameworks and processes not considered, employed or complied with during project development and delivery. |
| Clear project objectives | <ul style="list-style-type: none"> The project objectives do not align to government priorities, are not clear or do not articulate the service need. The project scope, scale and requirements have not been appropriately articulated. The project scope does not align with the objectives and KPIs have not been developed. |
| Sustainability | <ul style="list-style-type: none"> Inadequate consideration, documentation and assessment of the social, economic and environmental impacts of the project. |

Health Check in Delivery

Project Assurance Workbook

PART D:



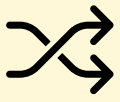
Areas for investigation in a Health Check in Delivery

For delivery agencies and review teams

What to look for at a Health Check in Delivery

The Health Check in Delivery seeks to answer the question: **How well is the project being delivered against plans and objectives?**

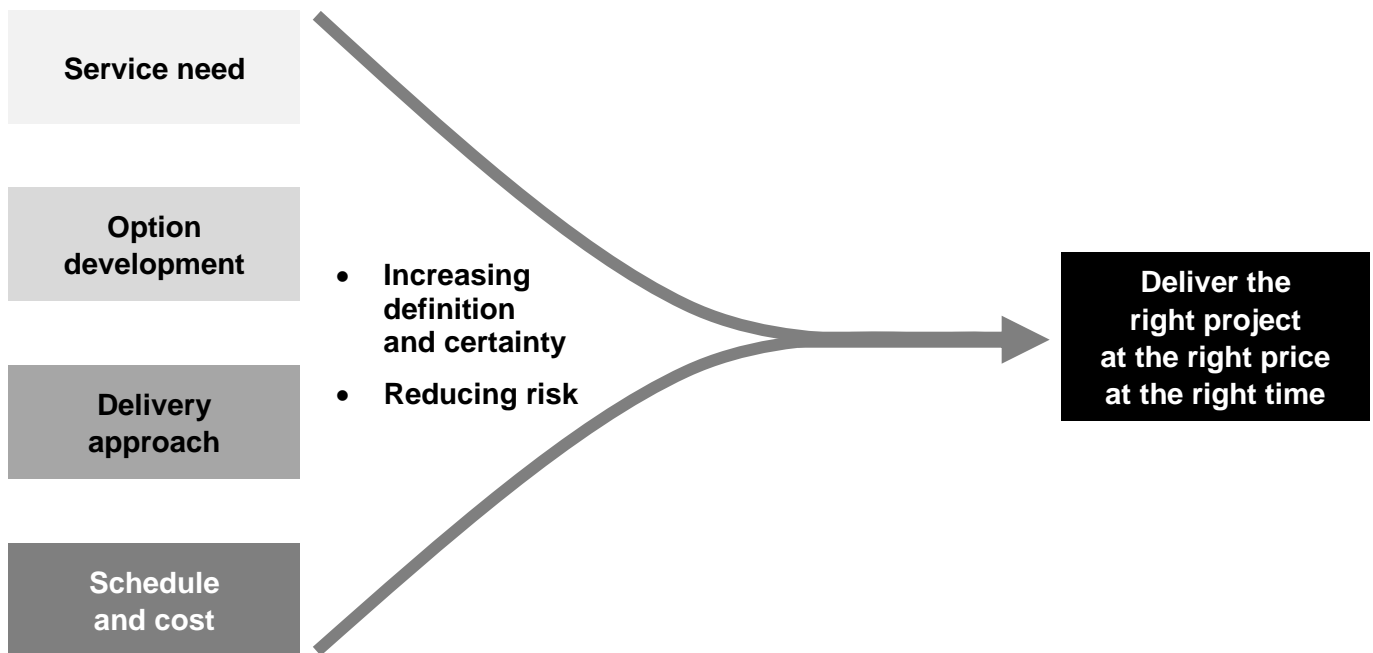
| Key focus area | General description application | How key focus area is applied at Health Check in Delivery |
|---|--|---|
|  Service need | <p>Identification of the problem or opportunity and the service need, along with the drivers for change.</p> <p>Alignment to government policy or strategy and evidence of demand for the potential new services or enhancements.</p> | <p>The built asset is being delivered to scope and any changes are not compromising the service need.</p> <p>There is a clear understanding in the delivery team of the service need and outcomes sought. There is confidence the project will achieve the objectives as required in the business case.</p> |
|  Value for money and affordability | <p>Ensure value is delivered by maximising benefits at optimal cost. Evidenced by a clearly defined scope, a cost-benefit analysis and a robust cost plan, to an appropriate level of detail for the lifecycle stage of the project.</p> <p>An assessment of potential or confirmed sources of funds. Whole-of-life, capital and operational costs considered.</p> | <p>Projections of cost-to-completion are up-to-date, and in line with the accepted tender response and budget approvals. Ongoing value engineering is being explored.</p> <p>The payment schedule and milestones are well understood.</p> <p>Project contingency and savings are being managed and regularly updated.</p> |
|  Social, environmental and economic sustainability | <p>Understanding the long-term impacts, opportunities and obligations created by the project. Ensuring the project delivers a positive legacy for the community. Areas explored include: socio-economic equity, resilience to climate change, effective place making, integration with broader asset networks, asset adaptability (including technological change), interface with heritage, and the robustness of the project's planning approvals processes.</p> | <p>Planning requirements are met.</p> <p>Responsibilities within the project team for the delivery of social, environmental and economic sustainability requirements are clear.</p> <p>Delivery integration with impacted asset networks and place-based plans is being advanced.</p> |
|  Governance | <p>Clear accountabilities, responsibilities and reporting lines are identified, and decision making and approvals are appropriate and understood.</p> <p>The SRO and project team have the culture, capability and capacity required.</p> | <p>The project delivery governance is robust. Productive relationships exist in the interests of the project. Clear responsibilities, reporting lines and appropriate delegations are in place, and aligned to support the successful completion of the project.</p> |

| Key focus area | General description application | How key focus area is applied at Health Check in Delivery |
|---|---|--|
|  Risk management | <p>Ongoing identification and active management of risks and opportunities, using a structured and formal methodology.</p> | <p>Ongoing identification and active management of risks. Adherence to the commercial risk allocation, while maintaining an approach of cooperative mitigation with delivery partners. Regular assessment of the program against delivery schedule and updates to identify, manage and mitigate risks. Evidence that residual risk is being managed and that time and financial contingency remains sufficient.</p> |
|  Stakeholder management | <p>Ongoing identification and proactive management of stakeholders, both internal and external to government, using a robust framework appropriate to the stage in the project lifecycle.</p> | <p>Healthy relationships with stakeholders, who understand the impacts and timeline for the project. Active management of the interfaces with other projects or packages.</p> |
|  Asset owner's needs and change management | <p>Demonstration of how change will be managed in the areas of people, organisation, network and systems as the asset enters operations.</p> <p>Proactive management of the handover impacts through the lifecycle of the project.</p> <p>Demonstrated consideration of issues and risks pertaining to the asset manager, operator and end users.</p> | <p>Changes in resourcing of the delivery team is well managed with continuity of task and information between maintained.</p> <p>Appropriate induction and demonstrated understanding of roles and responsibilities.</p> <p>Asset owner/operator actively engaged at the appropriate level for the stage of the project lifecycle.</p> <p>Delivery team aware and acknowledge operational requirements impacting design and delivery.</p> <p>End users are being considered within the the choices being made during delivery.</p> |

Definition of scope

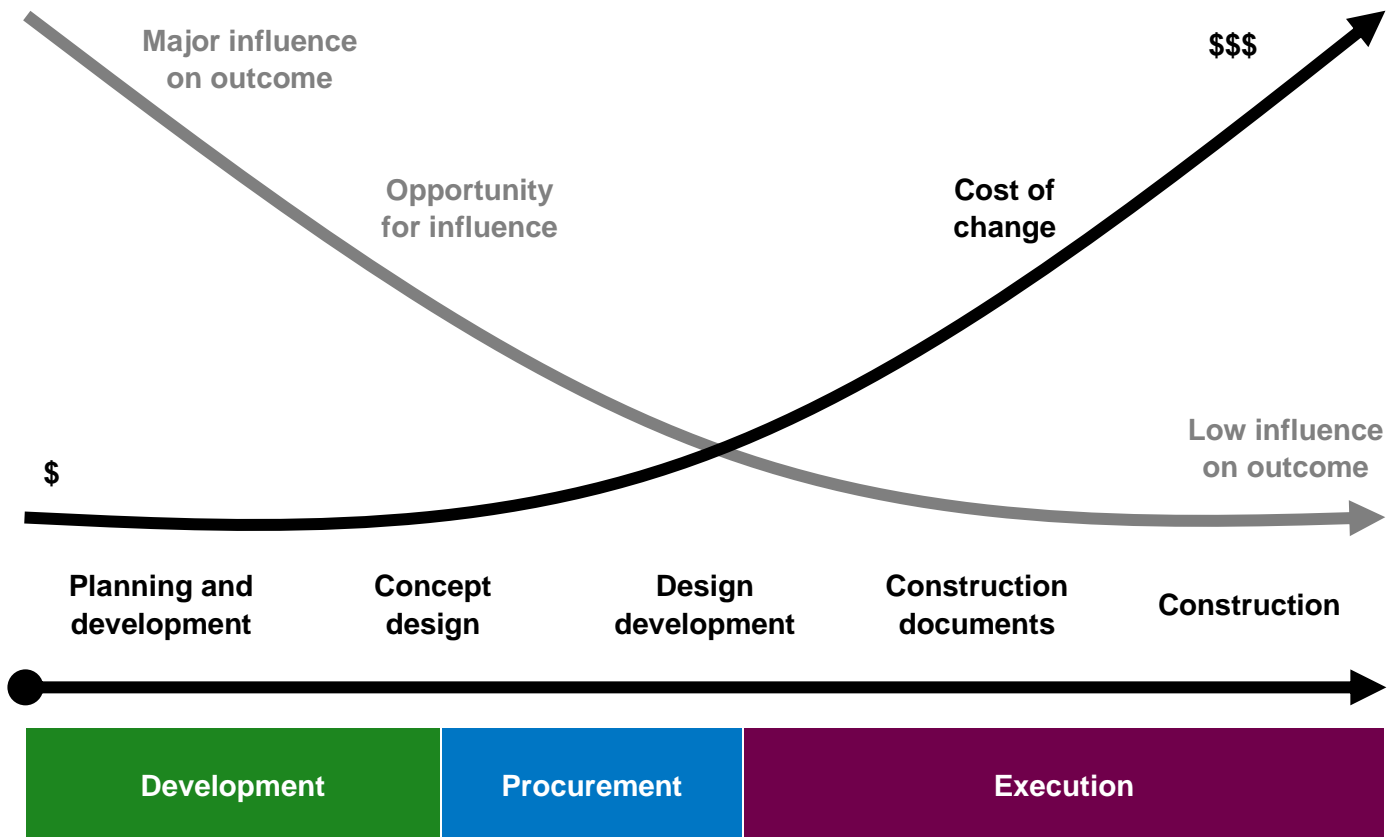
As projects progress through their stages, there should be a strong convergence in the definition of scope, cost and time, to deliver the desired outcome and objectives. Project assurance reviews support a project through this process. Reviews use the key focus areas to ensure that economic and social impacts have been considered, and stakeholder groups have been engaged in developing the optimum solution to address the service need or problem.

This can be illustrated as a funnel representing increasing certainty on development and delivery.



Project decisions




Reviews also recognise that scope changes have a greater impact on cost as the project progresses through its lifecycle. Robust decision making and clarity of direction early in project development is important to successful project delivery. A lack of clarity and late decision making will result in higher costs and greater uncertainty of outcomes.



Application of review success factors

In examining each of the key focus areas, the review team should be guided by the three success factors below which underpin delivery confidence. The success factors provide an overarching context for each key focus area and should assist in developing lines of enquiry, as they can provide context and be incorporated into the review report.

As a project progresses through its lifecycle, there is an expectation that detail and evidence will increase, providing increased confidence that the requirements of the key focus areas are being met.

| | |
|---|---|
|  Increasing scope confidence | <ul style="list-style-type: none">• Well defined service need.• Value for money approach in developing an evidence-based solution.• Increasing clarity and detail in defining the solution.• Increasing understanding and clarity within the delivery agency of how to deliver the solution. |
|  Managing risk | <ul style="list-style-type: none">• Increasingly granular and effective identification of risk.• Assessment, prioritisation and planned mitigation of uncertain events that could adversely affect the achievement of the project objectives. |
|  Realising benefits | <ul style="list-style-type: none">• Increasing definition of the project objectives and benefits.• Linking of those benefits to the service need.• Embedding an end-to-end process to ensure that the benefits and objectives of the investment are realised. |

Optimism bias

Optimism bias refers to the tendency to overestimate the likelihood of good events occurring and underestimating the likelihood of experiencing adverse events. Optimistic errors are an integral part of human nature, requiring conscious effort to manage and improve accuracy in project estimates and analysis.

Practical steps for project teams to avoid optimism bias in project analysis include:

- use independent peer reviewers to verify that cost, demand and benefit estimates are realistic
- undertake risk workshops with key stakeholders, and people with knowledge of the project and the potential risks
- involve the operator and asset owner to review the assumptions made and the risks identified, including the likelihood of the risk occurring and impact if the risk were to occur.

Key focus area 1: Service need

Health Check in Delivery application



Service need

The built asset is being delivered to scope and any changes are not compromising the service need. There is a clear understanding in the delivery team of the service need and outcomes sought. There is confidence the project will achieve the objectives, as required in the business case.

The project delivery is consistent with the scope procured and reflects the service need.



Delivery activities or agreed changes are not compromising the delivery of the service need.



The delivery team understands the service need and intended benefits.



- For the stage of the project, does the intended delivery scope support the delivery of the service need, as outlined in the business case?
- What are the design or scope decisions that will impact the delivery of the service need or realisation of benefits?
- To what extent is there a clear understanding throughout the delivery team of the purpose, function and intention of the project?
- What variations or augmentations have been made or are being considered, to make an impact on the achievement of the service need?
- What are the resources in place to monitor and manage the achievement of the service need and realisation of benefits?
- What regime is being employed to ensure asset quality standards are monitored and delivered, in line with contractual obligations? How is the asset owner/operator involved?

Additional questions for targeted Health Check in Delivery

In project mobilisation stage

- To what extent has handover from the procurement team to the delivery team facilitated clear understanding of the scope procured and links with achieving the service need?
- How well understood are the contractual performance measures committed to in procurement?
- To what extent does the senior delivery team have a clear understanding of the benefits outlined in the business case?

At lessons learnt stage

- How have changes to government policy or external events (if any) impacted the project's ability to deliver the required outcomes? Could these have been mitigated?
- To what extent has the project reviewed how successfully the service need was delivered?
- How were lessons learnt captured during the delivery of the project?

Key focus area 2: Value for money and affordability

Health Check in Delivery application



Value for money and affordability

Projections of cost to completion are up to date, and in line with the accepted tender response and budget approvals. Ongoing value engineering is being explored. The payment schedule and milestones are well understood. Project contingency and savings are being managed and regularly updated.

Funding and budget available to deliver the scope. Opportunities for savings are being explored.



Budget in line with funding approvals and delivery progress, with acceptable contingency in place.



Confidence that the funding level will deliver the benefits intended.



- To what extent does the delivery team have a clear understanding of the budget parameters?
- What evidence demonstrates the payment regime and milestone arrangements are understood throughout the delivery team?
- To what extent is the project delivery program aligned to funding and budget?
- For the stage of the project, has the contractor let the appropriate number of packages? What are the required supply chain agreements in place?
- How are contingencies, changes in baseline costs and variations being managed?
- What are the cooperative efforts made to identify and realise savings or additional benefits?
- How does the design or scope being delivered support the intended operational and whole-of-life cost?
- What is the evidence that the agreed price, scope and schedule remain achievable?

Additional questions for targeted Health Check in Delivery

In project mobilisation stage

- How have updates been made to the approved cost plan following contractual close?
- What systems have been established and how have responsibilities been allocated to track, verify and certify costs and payments?
- How has the timing of funding release been confirmed? Does it align with the payment schedule and milestones?

At lessons learnt stage

- How has the project reviewed the project's financial outcomes, compared with the business case?
- What documentation confirms the project has been delivered within the agreed budget? What is the status of the contingency?
- What were the opportunities for savings or additional benefits during delivery?

Key focus area 3: Social, environmental and economic sustainability

Health Check in Delivery application



**Social,
environmental,
and economic
sustainability**

Planning requirements are met. Responsibilities within the project team for the delivery of social, environmental and economic sustainability requirements are clear. Delivery integration with impacted asset networks is being advanced.

Project scope being delivered supports the sustainability outcomes. Project is complying with its planning approval conditions.



Construction impacts are being actively monitored and managed. Non-compliances with approval conditions proactively addressed.



Sustainability benefits tracked through delivery (including materials, waste and energy).



- How robust and transparent is the process to manage planning/environmental approval compliance? What are the outstanding issues?
- How are environmental sustainability initiatives and outcomes (in energy, water, materials and procurement) during delivery being monitored?
- What unplanned adverse environmental impacts (if any) occurred during delivery? How are these being managed?
- How has the design and constructability approach addressed heritage obligations and resolved heritage issues, to achieve maximum benefits at optimal cost?
- What progress in design and scope regarding place making has been facilitated through delivery?
- How well is integration with the broader asset networks and services progressing?
- How is maximum community access to the service being created through the design development of the physical asset?

Additional questions for targeted Health Check in Delivery

In project mobilisation stage

- What evidence confirms site approvals are in place to enable mobilisation to site?
- What evidence confirms the required construction and staging sites are available for handover to the contractor?
- What is the process in place to finalise environmental documentation? Is appropriate progress being made?

At lessons learnt stage

- How successful did the project embed and monitor social, economic and environmental requirements through the delivery stage?
- What were the major successes in achieving sustainability outcomes for the project?
- Were there any missed opportunities to facilitate greater community access or network integration? What prevented these from being released?

Key focus area 4: Governance

| Health Check in Delivery application | | | |
|--|--|--|--|
|  Governance | The project delivery governance is robust. Productive relationships exist in the interests of the project. Clear responsibilities, reporting lines and appropriate delegations are in place, and support the successful completion of the project. | | |
| |  Project team is appropriately structured, skilled and resourced to meet project pressures and ensure scope is delivered. |  Robust governance structure with allocated responsibilities for time, cost, and scope management. |  Governance arrangements in place to support productive relationships within delivery and to monitor realisation of benefits. |
| <ul style="list-style-type: none"> • What is the formal governance structure in delivery? How does it align to the project's needs? • How have the asset owner/operators or end users been represented in the governance of the project in delivery? • What is the governance structure and escalation approach? Is it robust enough to deal with and adjust to project pressures? • Are there clearly defined roles, responsibilities and transparent accountabilities for the delivery team? • What is the SRO's and Project Director's expertise and capacity? Do they have appropriate financial delegations to ensure successful delivery? • What is the evidence that the necessary skills, project controls (for example, program, milestones or change controls), monitoring of key risks and reporting are all in place to support the delivery of the project? • How does the culture across all the teams involved in delivery ensure collective problem solving, robust project management, transparency, commitment to outcomes and resolutions of conflicts? • How well are relevant government policies and regulatory requirements understood and being followed by the delivery team? • What is the approach to progress reporting and data capture? Is this focused and relevant to the outcomes desired from the project? • How does the organisation handle failure or setbacks within projects? Can you provide examples of how these situations were managed and what was learnt? • How does the organisation measure the effectiveness and efficiency of commercial/contractual dispute resolution, while discouraging 'game playing' and adversarial posturing? • How is the governance structure tracking the realisation of benefits? • How is probity and conflict of interest being proactively managed through the delivery stage? | | | |

Additional questions for targeted Health Check in Delivery

In project mobilisation stage

- What is the progress against the formal mobilisation plan? Has this been aligned across delivery times?
- How are good and productive relationships being established across the teams involved in delivery?
- How has the transition of the governance structure from procurement to delivery impacted the project?
- What is the progress against the finalisation and updating of management plans for delivery?
- How has the asset delivery agency's leadership been involved in the mobilisation process?

At lessons learnt stage

- How has the project reviewed the effectiveness of governance arrangements through the project delivery stage?
- What were the key issues in resourcing the project? Did resourcing impact the overall delivery performance?
- What is the quality of project documentation? How will this documentation be preserved for use in the operating phase of the project?
- How will the governance support the dissemination of lessons learnt to other projects and agencies?

Key focus area 5: Risk management

Health Check in Delivery application



Risk management

Ongoing identification and active management of risks. Adherence to the commercial risk allocation, while maintaining an approach of cooperative mitigation with delivery partners. Regular assessment of the program against delivery schedule and updates to identify, manage, and mitigate risks. Evidence that residual risk is being managed and that time and financial contingency remains sufficient.

Risks identified and updated on an ongoing basis. Risk mitigation is proactively and cooperatively managed.



Active risk management methodology and evidence that risks are being mitigated successfully.



Risk to the realisation of benefits are identified and understood within the delivery team.



- How is the project maintaining a live risk register? Is there evidence risks are being proactively managed and remain realistic?
- Could you share examples of when project staff promptly escalated specific project risks and critical issues to senior management? How does the organisation measure and encourage transparency and courage in these situations?
- How well is risk allocation between the government and contractor serving the needs of the project?
- How does the management of project risk demonstrate a collaborative and cooperative approach, within the bounds of the commercial structure?
- What are the key risks to the realisation of benefits outlined in the business case? How are these being mitigated?
- Is the schedule agreed and transparent, with a common understanding of time contingencies, and ownership and management of the float?
- To what extent is the progress of the design process (including sign off) adding risk to delivery of the project on time or on budget?
- To what extent is the project on track to be delivered to budget? What are the major risks to on budget completion?
- To what extent is the project on track to be delivered to time? What are the major risks to on time completion?
- What operational or whole-of-life risks have emerged or changed during the delivery of the project? Has the asset owner/operator been informed of these risks?
- What are the key risks to quality in the asset delivery? How are these being monitored and mitigated?

Additional questions for targeted Health Check in Delivery





In project mobilisation stage

- How has the performance of the handover from the procurement team to the delivery team contributed to increased project risk? How has this been reflected in the risk register?
- To what extent do the government and contractor teams have a consistent view of the program's critical path?
- How has the project established a robust approach to health and safety through the mobilisation process?

At lessons learnt stage

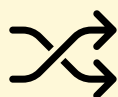
- What risks became uncontrollable during the delivery of the project? Was there any preparation that could have been undertaken to successfully mitigate these risks?
- Were there any opportunities in the delivery program that could have resulted in improved timeframes?

Key focus area 6: Stakeholder management

| Health Check in Delivery application | | | |
|--|--|---|---|
|  Stakeholder management | Healthy relationships with stakeholders, both internal and external to government. Stakeholders understand the impacts and timeline for the project. Active management of interfaces with other project or packages. | | |
| | Evidence of organised, positive and proactive engagement with stakeholders.  | Stakeholder conflict areas well understood and targeted through robust strategies. Impacts from ongoing interfaces and other projects monitored and controlled.  | Stakeholders acknowledge the timeframes for the project and the expected benefits relevant to them.  |
| <ul style="list-style-type: none"> • What is the division of responsibilities for managing and engaging stakeholders? How well is this performing? • What strategies are being employed to help build ownership and support for the project among stakeholders? • To what extent is the stakeholder approach proactive and dynamic, informing project decisions? • How is stakeholder satisfaction being measured and reported? • How are the project milestones with high community visibility being communicated to appropriate agencies? | | | |
| Additional questions for targeted Health Check in Delivery | | | |
| In project mobilisation stage <ul style="list-style-type: none"> • How are stakeholders being informed and involved in the mobilisation of the project? • What strategies are being put in place to manage disruption and impacts on stakeholders through delivery? • What progress has been made to establish a cohesive stakeholder and communications team, appropriate to the scale of the project? • How have stakeholder concerns and input been considered within the design task on the project? | | | |
| At lessons learnt stage <ul style="list-style-type: none"> • How did the project collect and analyse stakeholder satisfaction through the delivery stage of the project? • Has feedback from stakeholders during delivery been made available to the asset owner/operator? | | | |

Key focus area 7: Asset owner's needs and change management

Health Check in Delivery application



Asset owner's needs and change management

Changes in the delivery team are well managed, with continuity of tasks and information being maintained, appropriate induction and understanding of roles and responsibilities. Asset owner/operator actively engaged at the appropriate level. Delivery team acknowledges operational requirements impacting design and delivery. End users considered in the choices being made during delivery.

Project team actively involving asset owner to manage operational issues, respond to end-user needs and address the project objectives.



Resourcing strategy not putting delivery outcomes at risk. Project team is actively managing any risk to future handover and operations.



Project is able to show confidence that the project handover to operations will achieve the benefits outlined in the business case. Early benefits tracking is underway.



- How is the asset owner and operator involved with the delivery teams?
- Have any departures from operating or asset standards been agreed by the asset owner/operator?
- How is the end user being considered through the delivery stage? What is the status of the asset management plan?
- What benefits realisation approach is in place? Is it appropriately assigned?
- How have consequences of the project on the broader network (including disruption during delivery) been managed? How are they allocated between the delivery team and asset owner/operator?
- What progress has been made on testing and commissioning, and is it appropriate?
- Are required system changes (for example, information, technology, interoperability, processes or procedures) adequately agreed, on track and mapped to the asset's key performance indicators?
- To what extent is there robust planning and management of operational impacts across affected organisations, during both delivery and leading up to project completion?

Additional questions for targeted Health Check in Delivery

In project mobilisation stage

- How has the handover from the procurement team to the delivery team been managed?
- Are there outstanding commercial, regulatory or approval issues from the procurement stage?
- What level of understanding does the delivery team have of all necessary commercial obligations, scope requirements, delivery performance measures and milestones agreed at contract close?
- What level of staff continuity has been maintained through the handover from the procurement team to the delivery team?
- How has the project engaged with the asset owner/operator through the mobilisation process?

At lessons learnt stage

- What are the lessons learnt arising from operational considerations not being appropriately addressed in delivery?

Glossary

| Term | Definition |
|------------------------------------|---|
| project assurance framework | The guidelines and processes administered by Infrastructure Tasmania that set out minimum requirements for project assurance. |
| project assurance reviews | Refers to gate reviews, health check and deep dives. |
| health check | A health check is an independent review carried out by a team of experienced practitioners seeking to identify issues in a project/program which may arise between gate reviews. |
| deep dives | Deep dives are a type of review similar to health checks, but focusing on a specific and often technical issue. These reviews are usually undertaken in response to an issue raised by stakeholders. |
| 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, Infrastructure Tasmania will assign the lead accountable agency responsibilities. |
| delivery agency | The government agency tasked with developing and/or delivering a project. |
| gate | Key decision point(s) in a project/program's lifecycle when a gate review may be undertaken. |
| gate review | <p>A review of a project/program by an independent team of experienced practitioners at a specific key decision point (gate) in the project/program lifecycle.</p> <p>A gate review is a short, focused, independent expert appraisal of the project/program that highlights risks and issues, which if not addressed may threaten successful delivery. It provides a view of the current progress of a project/program and assurance that it can proceed successfully to the next stage if any critical recommendations are addressed.</p> |
| program | <p>Programs provide an umbrella under which related projects and activities can be coordinated. A program is likely to be longer term than a single project and have a life that spans several years.</p> <p>Projects that form part of a program may be grouped together for a variety of reasons including co-location, similar nature (for example, agency capital program or road upgrades) or shared outcome.</p> <p>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.</p> |

| Term | Definition |
|---|---|
| project | <p>A project is a group of interrelated activities that are planned and then executed in a particular sequence to achieve planned and agreed outcomes, within a predetermined timeframe. A project has the following characteristics:</p> <ul style="list-style-type: none"> • defined scope and finite resources • has a definable start and end dates • introduces a change • creates a unique result, product or service • has its own governance structure. <p>A particular project may or may not be part of a program.</p> |
| project assurance | <p>The governance, reporting and expert project review process that assesses the health and viability of a project. Project assurance can provide investors and other stakeholders with the confidence that the project can deliver to time, budget and quality.</p> |
| Project Assurance Services Panel | <p>Established and managed by Infrastructure Tasmania, the panel includes experts with skills, experience and capability across infrastructure sectors and project delivery. The project assurances service panel ensures quick mobilisation and coordination of review teams, and the consistent application of the project assurance framework.</p> |
| project tier | <p>The project tier classification is comprised of three project tiers, where Tier 1 encompasses projects deemed as having the highest risk profile and Tier 3 with the lowest risk profile. Tier classification considers a project's overall risk profile and the project's estimated total budget.</p> |
| regular infrastructure project reporting | <p>Routine reporting of projects prepared by the Department of Treasury and Finance, and provided to government.</p> |
| Review Team | <p>A team of expert independent reviewers, sourced from the project assurance services panel engaged by Infrastructure Tasmania to undertake a gate review, health check or deep dive review.</p> |
| Senior Responsible Officer | <p>The delivery agency secretary or deputy secretary with strategic responsibility and the single point of overall accountability for a project/program. The Senior Responsible Officer is the owner of the business case, accountable for all aspects of governance and delivery of benefits. Some project management methodologies refer to this role as the Project Executive, Sponsor or Client.</p> |



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