

CENTRAL PROCUREMENT DIRECTORATE

PROCUREMENT GUIDANCE NOTE 06/04

SUBJECT: THE OGC GATEWAY REVIEW PROCESS

Issue Date: 15 September 2004

BACKGROUND

1. The Gateway Review Process was developed by the Office of Government Commerce (OGC) and launched in England in February 2001. The recommendation of the Procurement Review Implementation Team that Gateway Reviews should be carried out on all major capital projects (including PFI/PPP projects) has been endorsed by the Assembly Executive and by the Procurement Board. A Dear Accounting Officer letter DAO (DFP) 33/03 has been issued in relation to information technology projects and the guidance in this document supplements the instructions therein. In Northern Ireland the OGC Gateway Review Process will be organised by Central Procurement Directorate (CPD) and will apply to all projects including those which are to adopt PPP or PFI procurement routes.

OVERVIEW OF THE GATEWAY REVIEW PROCESS

2. An OGC Gateway Review is a review of an acquisition programme or procurement project carried out at a key decision point by a team of experienced people, independent of the project team. There are five OGC Gateway Reviews during the lifecycle of a project, three before contract award and two looking at service implementation and confirmation of the operational benefits. A project is reviewed at the OGC Gateway appropriate to the point reached in its lifecycle. Retrospective or combined Reviews are not supported. There may be additional Reviews if required,

such as the decision points between OGC Gateway Reviews 3 and 4 for construction projects. The process emphasises early review for maximum added value.

3. OGC Gateway Review 0 is a programme only review which can be repeated throughout the programme's life; it can be applied to policy implementation, business change or other types of delivery programme involving acquisition. It sets the programme review in the wider policy or corporate context.

4. The purpose of the OGC Gateway Reviews is to provide assurance to the Senior Responsible Owner (SRO) that the programme/project can progress successfully to the next stage. The OGC Gateway Reviews are not part of a programme/project's approval process nor are they audits. They are undertaken by teams of experienced practitioners, independent of the project team, who bring their knowledge and skills to bear on the key issues that need to be addressed for the programme/project to succeed. The OGC Gateway Reviews are based on well-proven techniques, using OGC developed workbooks, and are conducted on a confidential basis. Each OGC Gateway Review lasts 2 to 5 days, depending upon the programme/project, and ownership of the Review Report rests with the SRO. It is the SRO who is accountable for the implementation of recommended remedial action and programme/project progression. The diagram below illustrates the wider context of the OGC Gateway Process and the points at which OGC Gateway Reviews are held.

Risk Potential Assessment (RPA)

5. The Risk Potential Assessment (RPA) continues to fulfil the role performed by the old Project Profile Model (PPM) as a key start-up document completed by the Senior Responsible Officer (SRO) / Project Manager (PM) before each review.

6. The RPA is the first step in the process. It provides a standard set of high-level criteria for assessing the degree of complexity of a proposed procurement based programme/project.

7. The RPA should be used as a starting point in assessing the likely levels of risk associated with the programme/project. It is a high level indicator and not an exhaustive risk analysis model, although it can form the basis of a fuller

programme/project risk analysis. The RPA will calculate an overall score and if appropriate identify potential mission critical projects.

How the spreadsheet is used

8. The RPA is a single spreadsheet, which is to be used for all programmes at OGC Gateway Review 0 and all projects at Reviews 1 to 5. The questions in the RPA are designed to be self-explanatory. Questions with a round button should have the most appropriate option clicked whilst questions with a square button should have all applicable options clicked.

9. The SRO/PM undertaking the assessment should complete the relevant programme/project details as fully as possible; confirming the OGC Gateway Review, costs and benefits, key contacts and, where applicable, identify known links between the programme/project to be reviewed and overarching programmes or supporting projects. Where a precise response to a question is not available the SRO/PM should use their best estimate in light of their knowledge and experience. Once completed the RPA will automatically calculate the RPA score.

What do the scores mean?

The RPA scores fall into the following categories:

- **Total score of 30 or less** indicates that the programme/project is relatively low risk.

- **Total score in the range of 31 or more** indicates that the programme/project is major and CPD will manage all Gateway Reviews that fall into this category.

GATEWAY THRESHOLDS

- 10 Gateway Reviews shall be undertaken on all projects which have been defined as “mission critical” in the terms set out by PSG(E) and the following capital projects -
 - (a) IT enabled business change – on all projects, which have an RPA score of 31 or more;

- (b) Property and construction either –
 - (i) on all projects which have an RPA score of 31 or more; or
 - (ii) where in any financial year a Department, or other Body, does not have a project within (i), the project with the highest RPA score exceeding 25 in that year; and
- (c) Other services – on all projects which have an RPA score of 31 or more.

Gateway Reviews shall be undertaken on all qualifying projects including those which are to be procured through the PPP and PFI routes.

In Northern Ireland Gateway Reviews will be organised by CPD. However Departments, or other Bodies, may wish to undertake peer reviews (based on Gateway Reviews) on projects with lower RPA scores than those stated above where the project has increased complexity, innovation or risk. In such cases the Gateway Co-ordinator (see paragraph 16) may be contacted for advice.

INITIATING THE GATEWAY REVIEW PROCESS

11. The responsibility for initiating the Review Process and each subsequent OGC Gateway Review (see Annex A) rests with the SRO of the programme/project. The SRO forwards a completed/updated RPA and an indication of the timing of the Review to the Gateway Co-ordinator who will confirm the RPA details and preferred dates. The Gateway Review Team is selected from CPD's database of Gateway Reviewers and the SRO informed. When the RPA score is high the Gateway Co-ordinator may seek the Review Team Leader (or the entire Team) from OGC. The dates for the Review are agreed between the SRO, the Gateway Co-ordinator and the Review Team Leader. The procedure for initiating subsequent reviews on a programme/project is the same and the SRO should update the RPA prior to requesting each OGC Gateway Review. The request should be with the Gateway Co-ordinator at least 8 weeks before the preferred dates for that Review.
12. Although the OGC Gateway Review Process normally commences with a Gateway 1 (or 0 for programmes) review, projects which are in progress can be brought into the

process when they reach their next key decision point. However OGC's experience is that the benefits of a first review at Gateway 4 or 5 are so small that it does not recommend introducing projects to the process after Gateway 3. Departments and other Bodies shall ensure that Gateway Reviews are undertaken on all new projects and on existing projects (not already within the process) that have not passed their Gateway 3 key decision point or, in the case of:

- (a) IT enabled business change – 4 December 2003;
- (b) Property and construction – 1st February 2004; and
- (c) Other services – 1st February 2004.

GATEWAY REVIEW TEAMS

13. The Gateway Review Team Members are selected from a database of trained Gateway Reviewers taking into account the nature of the project and the Gateway it has reached. Review Team Members will usually be practitioners from other NI Departments and Bodies who have knowledge, skills and experience in the issues under consideration. However, until a pool of Review Team Leaders is established, it will be necessary to supplement local Leaders with GB officials or consultants. Whilst it is desirable to maintain a degree of continuity for successive Reviews on a project the issues under consideration change and the Review Team must reflect this. For example, experience in initiating projects and preparing business cases are more needed at Gateway 1 than experience in operating equipment, whereas the reverse is the case at Gateway 4. The costs associated with being a Review Team Member are to be met by the Member's Department/Body on a quid pro quo basis and for this reason all Departments and Bodies are required to put forward suitable staff for review teams. The exception to sharing the cost in this way is when GB Officials or consultants are used and a reciprocal arrangement cannot be agreed. In such cases the Department/Body requesting the Review must meet the costs. The accommodation, hospitality and other costs incurred in undertaking an OGC Gateway Review are to be met by the Department/Body requesting the review.

THE REVIEW

14. Prior to the Review the SRO provides the Review Team with relevant information about the project and a planning meeting is organised. At this planning meeting those whom the Review Team will wish to interview and the documentation it will wish to review are identified and the domestic arrangements and facilities are agreed. OGC Gateway Reviews last between 2 and 5 days (usually 2 or 3 days), are conducted on a confidential basis and use the appropriate OGC Gateway Workbook. As the Workbook is available to all it is expected that the SRO/PM and the Project Team will have prepared for the Review. The Review ends with the Review Team presenting its draft Report to the SRO.

REVIEW REPORT

15. The Review Team will normally prepare its Report using the standard format and it will agree with the SRO an overall “traffic light” assessment for the report, where:

- red means – to achieve success remedial action should be taken immediately;
- amber means – action on the recommendations should be taken before the next OGC Gateway Review; and
- green means – the project is on target to succeed but may benefit from the uptake of the recommendations.

As stated above the report is to the SRO and he/she is accountable for any implementation and any disclosure of its content. The Gateway Co-ordinator in CPD is to receive a copy of all reports for statistical purposes and to enable generic lessons to be identified and disseminated.

GATEWAY CONTACTS

16. Information and advice on the OGC Gateway Review Process can be obtained from the Gateway Co-ordinator for Northern Ireland:

Ms Cathy Blake-Knox
Clare House
303 Airport Road West
Belfast BT3 9ED

Telephone / Fax – 90816478

E:mail Cathy.Blake-Knox@dfpni.gov.uk

The documentation associated with the Gateway Review Process can be downloaded from the Gateway section of the CPD's website <http://www.cpdni.gov.uk/>

SUMMARY

17. The main points in this Guidance are:

- (a) from 4 December 2003 (for IT enabled business change) and from 1st February 2004 (for Property and Construction; and Other services) the Gateway Review Process shall apply:-
 - (i) to mission critical projects;
 - (ii) to all projects which have a RPA score of 31 or more and have not passed the Gateway 3 key decision point; and
 - (iii) in specific circumstances (see paragraph 10(b)), to projects which have a low RPA score.
- (b) Gateway Reviews shall be initiated by the SRO and the report shall be to him/her;
- (c) requests for Reviews shall be made to the Gateway Co-ordinator at least 8 weeks in advance;

- (d) the appropriate Risk Potential Assessment shall be used and updated before each Review is requested; and
- (e) Departments shall support the OGC Gateway Review Process by providing Review Team Members.

