

Assurance Review Guide

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Introduction



Purpose

Infrastructure SA (ISA) has been established under the Infrastructure SA Act 2018 (Act) to improve infrastructure planning, prioritisation, delivery and operation. The Act creates a requirement for ISA to:

- review and evaluate proposals for major infrastructure projects by public sector agencies
- assess the risks involved in planning, funding, delivering and managing infrastructure, and the management of those risks, and
- monitor the delivery of major infrastructure projects and other infrastructure projects identified in strategies, statements or plans adopted by the Minister (Premier) and any other infrastructure project at the request of the Minister.

To fulfil these roles, ISA has developed the Infrastructure SA Assurance Framework (ISAAF) which sets out the requirements to undertake assurance reviews on major infrastructure projects and programs. The ISAAF outlines the benefits, approach, application and tools to aid this function. This Guide should be read in conjunction with the ISAAF.

Assurance reviews are undertaken by independent experts at key points in a project/program's lifecycle to deliver a level of confidence and a clear set of recommendations to improve its management and delivery. Assurance reviews do not represent a government decision in relation to funding, planning, approvals or policy. Assurance reviews do not make an enforceable recommendation to halt a project.

The ISAAF sets out definitions and guidance for:

- Project Confidence Assessments
- assurance review types
- assurance review key focus areas
- assurance review recommendations
- Recommendation Action Plans (RAPs), and
- recommendation themes.

This Guide provides guidance to project teams, assurance reviewers and broader stakeholders on the following:

- Roles and responsibilities
- Code of Conduct for assurance reviews
- Preparing for an assurance review
- Preparing for a planning meeting
- Stakeholder interviews
- Review reports.

This Guide should be read in conjunction with the ISAAF, workbooks developed for Gates, Health Checks, Deep Dive Reviews, the specific Terms of Reference for the review and other documents created for an assurance review.

Assurance reviews in South Australia

Over the past two decades, Australian jurisdictions have adopted central assurance processes based on the UK Office of Government Commerce's Gateway (OGC) process. ISA has built on the gateway methodology and processes and created a system that meets the State Government's investor assurance needs and requirements.

Evidence suggests assurance reviews have contributed to improved delivery outcomes of programs and projects across multiple departments and sectors. Government agencies, Senior Responsible Officers (SROs) and project teams often recognise the value of an objective and independent review of their project/program and the delivery of recommendations that will help them deliver optimum outcomes. Evidence also suggests that the benefits from an assurance review can often exceed 20:1 on the cost of the review.

Roles and responsibilities



Infrastructure SA

ISA centrally coordinates the assurance review process and provides guidance, support and information to project teams and review teams (and other stakeholders as required).

ISA's roles and responsibilities include:

- scheduling and coordinating assurance reviews
- assessing and appointing suitable assurance reviewers
- assembling the assurance review team and assisting with logistical and administrative arrangements for the planning meeting
- communicating the requirements of assurance reviews to entities and assisting them as required
- analysing review reports and recommendations, and
- collating evaluations on the review team's performance.

Individual roles

The Director, Assurance oversees the investor assurance function within ISA.

An ISA Assurance Manager is assigned to lead the review. The Assurance Manager acts as the primary liaison point between the sponsor agency and ISA before, during and after the assurance review.

An ISA Assurance Officer and/or Assurance Coordinator provides logistical and technical support and works with the review team and the sponsor agency. This support may include:

- procurement of the review team
- provision of templates and review documentation
- establishment of the electronic data room for file sharing, and
- working with the project team to schedule interviews with stakeholders.

ISA reserves the right to observe all interviews. ISA does not participate in review team discussions.

Project team

Sponsor agency

A sponsor agency is the agency that identifies the need, makes the case for change, develops the business case, and is the owner of the asset and the overall outcome.

In South Australia, infrastructure can be delivered by:

- sponsor agencies (in their own right)
- a delivery agency that specialises in project delivery (for example, the Department for Infrastructure and Transport), and
- non-government organisations.

Chief Executive

The Chief Executive (CE) is responsible for the sponsor agency. The CE may or may not be involved in the project. The CE is generally not the SRO but may be involved in a steering capacity.

Senior Responsible Officer or Owner (SRO)

The nominated senior executive who holds strategic responsibility and is the single point of overall accountability for the successful delivery of a project/program is the Senior Responsible Officer or Owner (SRO). The SRO is not responsible for the day-to-day management of the project/program.

During an assurance review, the SRO assumes the following responsibilities:

- provide input to ISA on the skill requirements of the review team
- contribute to the Terms of Reference (ToR) for the assurance review (including particular areas of interest/focus)
- brief the review team on key aspects of the program/project during the planning meeting
- assist the review team to gain access to key stakeholders and documentation
- receive briefings from the review team during the review
- receive and fact checking the draft report from ISA
- ensure appropriate action is taken to address the review findings
- respond to the recommendations from the review by completing the Recommendation Action Plan, and
- provide feedback to ISA on the quality of the completed assurance review and the review team.

Sponsor agency Project/Program Manager/Director

The Program/Project Manager/Director (Director) has primary responsibility for the day-to-day management of the entire project/program. The Director takes an active part in the assurance review via the planning meeting and assists in responding to the ISA Assurance Manager and review team requests.

During an assurance review, the Director will assist the review team to obtain a thorough understanding of the program/project.

The Director will often prepare and present a PowerPoint presentation/briefing material at the planning meeting (see **Planning Meeting** section).

The Director, or a project/administration officer, must ensure that:

- the draft interview schedule is prepared for the review team
- documents requested by the review team are made available within one business day after the planning meeting via SharePoint or as agreed with ISA and the review team, and
- interviewees are informed about the purpose and logistics of the interview.

Delivery agency Project/Program Delivery Manager

A delivery agency may be embedded in the project team. The roles, for the purpose of the assurance review, can overlap with the sponsor agency's roles depending on the project/program.

Integrated/engaged consultants/delivery partners

A (non-government) delivery partner may be embedded in the project team. The roles, for the purpose of the assurance review, can overlap with the sponsor agency's Director roles depending on the project and program.

Assurance review team

Team formation

In accordance with the *Assurance Management Reviewer Framework*, ISA selects review team members (typically three members but can be more or less depending on the review requirements) from ISA's Assurance Reviewer Pre-Qualified List. One review team member will be assigned by ISA as the review team leader.

ISA appoints a review team with the right mix of skills and expertise to address the agreed Terms of Reference (ToR) including the five key focus areas and any respective gate workbook questions.

Reviewers may be sourced from the public or private sector. It is important to note that public sector reviewers are selected for their expertise and not to represent their agency.

Similarly, private sector reviewers are selected for their individual expertise, not to represent their organisation/company, and may not use the assurance review process to actively solicit business for themselves or their organisation/company.

Continuity of review team members from one gate/phase often enables consistency and understanding of the program/project under review. Each assurance review team usually includes one or two members from earlier reviews. However, there may be instances where this is not possible or practicable.

It is expected that the review team will act collaboratively to add real value to the development and delivery of the project. In appointing the review team, consideration will be given to a number of factors, including:

- potential conflicts of interest
- reviewer knowledge, skills, experience relevant to the program/project and the specific assurance review to be undertaken
- ability to lead the review team
- reviewer availability, and
- the level of security clearance required (if applicable).

Each member of a review team must be independent of the project. The review team's responsibilities include:

- understanding that the ISAAF is based on investor assurance, not OGC-style assurance
- being directly accountable to ISA (not the project team)
- following the ISAAF, Assurance Review Guide and ToR for the review
- familiarising themselves with ISA workbooks (if used for the review) and the sponsor agency's document and stakeholder list
- reading documents and evidence provided by the sponsor agency
- undertaking interviews with key stakeholders
- engaging in a collaborative and constructive way
- focusing on value-adding to the project
- determining an overall Project Confidence Assessment (PCA) at the culmination an assurance review
- preparing and providing a draft review report
- developing independent recommendations to improve the project/program
- appropriately managing confidential and sensitive documents and information before and during the review, and
- securely disposing of all information following completion of the review.

Review team leader (RTL)

The RTL is a review team member. The RTL's role is essential to the success of an assurance review. They are primarily responsible for facilitating communication and relationships with ISA, the SRO, project team, review team and other assurance review participants.

The RTL's specific responsibilities include to:

- act as the central point of contact between the review team and the ISA assurance team
- contact each member of the review team prior to the planning meeting to introduce themselves and develop an understanding of the skillsets and strengths across the team
- communicate the process for the review and ensuring that all participants understand their responsibilities
- identify key stakeholders to be interviewed and relevant documentation needed for the review
- introduce and chairing the planning meeting and stakeholder interviews
- ensure the review team focuses on issues that are important to the program/project's success rather than specific technical aspects
- lead the preparation of the review report
- provide regular briefings to ISA and the SRO to keep them fully informed on issues as they arise and provide a forum where any findings can be assisted by SRO input (this process maximises the likelihood of producing a report with 'no surprises')
- provide leadership to review team members including coaching, support and feedback to develop their skills, and
- provide an evaluation on each review team member (RTM) to ISA to assist in the assembly of future review teams.

Review team member (RTM)

The RTM's (non-leader) role is essential to the success of an assurance review. They are responsible for supporting the RTL undertake the assurance review.

RTMs are selected for the relevance of their skills and experience. RTM responsibilities include to:

- identify key stakeholders to be interviewed and relevant documentation needed for the review
- consider documentation relevant to the review and form an opinion on the adequacy of the documentation based on their experience and expertise
- support the RTL conduct stakeholder interviews and gather/analyse the information made available
- support the RTL prepare the review report
- support the RTL to provide daily briefings to ISA and the SRO, and
- provide an evaluation on other RTMs and the RTL to ISA to assist in the assembly of future review teams.

Stakeholders

Stakeholders are organisations, groups or individuals, either internal or external to government, that are involved or impacted by the project. Stakeholders are identified by either a project team or a review team before or during the planning meeting, in order to be interviewed.

Interviewees are encouraged to:

- arrive early for interviews and not be late (review teams are working with a tight interview schedule)
- be cooperative during interviews
- be open and transparent during interviews as this will allow the review team to form a truer understanding of the project/program

- bring or share background/supporting information or other visual aids, and
- provide further information if asked by the sponsor agency, ISA or review team.

All interviews are confidential. Discussions are not repeated or attributed outside the review process. Further information about interviews can be found in the Stakeholder Interview section.

Code of Conduct for assurance reviews

The Code of Conduct (Code) is considered best practice for the way assurance reviewers engage in assurance reviews.

The assurance review team will:

- maintain a professional approach throughout
- be open and honest with each other and encourage interviewees to be so
- use open and exploratory questions
- use constructive and focused questions and avoid an 'audit style' approach
- ensure interviews are confidential and all views are non-attributable
- effectively manage and dedicate the time required (subject to unavoidable issues) to the assurance review by actively listening to the interviewees
- adopt a rigorous, thorough & evidence-based approach
- apply independence and objectivity
- look for and value best/good practice
- appreciate the context of political and environmental drivers
- work as a team and support each other
- ensure the review is a learning experience for all involved
- provide regular feedback sessions to check that assumptions and findings are accurate and relevant and that emerging findings are on the right track (no surprises approach), and
- avoid personal anecdotes or spend significant time speaking on their past experiences during interviews.

In addition to the Public Sector's Code of Ethics and all other responsibilities associated with working for, or with, the Public Sector, interviewees will:

- maintain a professional approach throughout
- be open and honest with each other, and encourage team members to be so
- provide additional information as requested by the review team or ISA during or after an interview
- honestly answer questions, and
- not influence or pressure other team members before, during or after the review.

Preparing for an assurance review



Preparation

One of the key elements of a successful assurance review is preparation. Sponsor agencies should engage with ISA 6–8 weeks ahead of each planning meeting to secure dates for the meeting and review week. Advanced planning enables:

- sufficient time to schedule the assurance review
- procure an assurance review team with the appropriate skills
- develop and agree on the Terms of Reference (ToR)
- develop the key stakeholder list
- develop the document list
- secure key interviewees diary-slots, and
- collate and provide the pre-reading documents ahead of the review.

Assurance review teams require evidence that work has been completed. Documentation should not be created solely for an assurance review.

If a project has genuinely reached the milestone that triggers a Gate Review, little additional work should be needed other than collating and bringing together evidence to meet the assurance review requirements.

Terms of Reference (ToR)

The ToR for each assurance review is developed by ISA with contributions from the SRO and the RTL. The ToR will include areas of the project that are within and out of scope for the review and any particular areas/issues that are sector/project/program/gate-specific and that ISA and or the SRO would like the review to focus on.

ToR can include somewhere between 5–10 project/project specific questions that the review team will be required to address during the assurance review and in the review report.

At this point in the process, the number of interview days and report writing days will be set. The table below provides a general guide for the potential days for interviews and report writing.

	Planning meeting (may also include a site visit)	Reading day	Interview days	Report days
Gates	0.5–1	1	2–3	2
Health Checks	0.5–1	1	1.5–2	1.5–2
Deep Dives	0.5–1	1	1.5–2	1.5–2

Data room

ISA will establish an online data room for the assurance review for the sharing of assurance review documents. Most importantly, the sponsor agency will be able to upload all project/program documentation to this location.

Assurance review budget



The assurance review budget will be set at this point in accordance with ISA's Cabinet-approved cost recovery model.

Planning meeting

Purpose

The purpose of the planning meeting is to:

- introduce the project to the review team by the project team
- establish the documentation required for the review, and
- establish the list and schedule for interviewees.

The planning meeting is typically two to three hours long. It may also include a project/program site visit.

Presentation

The SRO and/or project team provides a 30–45 minutes presentation to the review team. The presentation should cover the areas in the ToR (and the key focus areas (KFA) in the respective gate workbook).

The PowerPoint presentation structure should be relevant for the particular review and would generally include the following:

- Project snapshot and/or update from previous review
- KFA 1: Strategic Fit (strategic alignment, case for change, integration and critical success factors).
- KFA 2: Stakeholders (key stakeholders and summary of engagement and status)
- KFA 3: Impact and Value for Money (assessment on triple bottom line impact and analysis, economic appraisal, costs and budget).
- KFA 4: Governance and Risk Management (governance structures and risk management)
- KFA 5: Infrastructure Delivery (capacity, capability and time (program/schedule)).

Presentations should also include visual information such as site location, masterplan, images, flyovers etc. The review team may ask high-level questions during or after the presentation.

Documentation/Evidence



The Gate Review and Health Check workbooks outline the typical documents that should be available for the assurance review. The review team will review the document list and may also seek to review additional documents based on the ToR and the presentation/conversation.

The document list will have been prepopulated with the key documents by the project team before the planning meeting.

Documentation must be uploaded into the online data room (SharePoint) within 24–48 hours of the planning meeting. Documentation is to be uploaded using the naming conventions on the document list template.

Stakeholders interviews

The Gate Review and Health Check workbooks outline the typical stakeholders that will be interviewed. The review team may also seek to interview additional stakeholders based on the ToR and the presentation/conversation. The stakeholder list will be prepopulated with the key internal and external stakeholders.

Interviews are usually held 5–10 business days after the planning meeting to allow the review team to read the documentation provided. The review team will typically interview 6–8 stakeholders per day. The review team will select the order of the interviews in a way that helps them address the requirements for the assurance review. Generally, interviews with key stakeholders from the sponsor agency will be held on the first interview day (typically in organisational hierarchical order) and broader project team members, consultants and stakeholders across the balance of the remaining interview day(s).

Purpose

The review process is structured to seek independent views from a wide range of stakeholders associated with the project/program – and at different levels and functions, both internally and externally to the project.

The aim is to gain a broad understanding of the project by speaking with key people involved in the delivery of the project/program. This may include the following:

- Senior Responsible Officer (SRO)
- Project sponsor if not SRO
- Project Director and or Project Manager/project team members involved in design/cost/planning/scheduling/communications (sponsor agency, delivery agency and external)
- Specialists/consultants that have contributed to the project/program
- Senior agency representatives responsible for infrastructure planning and prioritisation
- Senior representatives involved in funding the initiative (DTF and Commonwealth Government)
- Senior representatives for the asset owner and operator.

Interview format

To facilitate a full and open discussion, interviews are held on a 1:1 format between the assurance review team and the interviewee.

Interviewees are encouraged to spend a few moments ahead of the interview to reflect on what is working well, any areas that are difficult to manage and if there are any areas for improvement. This will assist the assurance review team make useful recommendations to improve the chances of successful delivery.

Interviewees should seek to read material that is circulated to them ahead of their interview. This material may consist of the following:

- Pen portraits of the review team so that they know who is involved and their experience
- The relevant workbook and the ToR.

All comments are non-attributable outside of the interview – including the review report. It is important to note that this is not an audit and there are no right and wrong answers.

The duration of an interview is typically 30–45 minutes but may be longer depending on the project and topic.

Interview day debriefs

At the conclusion of each interview day, the assurance review team will provide a briefing to ISA and the SRO on the key themes from the interviews that were conducted that day.

The review team may also provide insight into their thoughts on the direction of the review report and recommendations to gain further input or minimise any surprises in the final report findings.

The duration of the debrief session is typically 15–45 minutes.

Review report

Purpose of the report

The purpose of the review report is so that ISA can deliver its recommendations to the Cabinet and committees, the ISA Board and its subcommittees, and to the sponsor agency.

A feature of ISA's Assurance Framework is that the benefits of the report are for the SA Government and Cabinet as the investor and ultimate owner, but that the sponsor agency also benefits by way of sharing the report with that agency. The report also allows ISA to extract information for theme analysis across all assurance activities.

Report presentation and finalisation

Following the conclusion of the interview days, the review team will collaborate and prepare the review report using a standard ISA report template. This will include a recommendation schedule, which will eventually become the Recommendation Action Plan (RAP).

There is no set number of recommendations, as this will vary based on the findings of the review and what the review team believe will help improve the project/program.

The duration of the report writing is typically 1–2 days.

The development of the final report is as follows:

Following completion of the review report, the review team presents the review report (v0.1) and the key findings and recommendations to ISA and the SRO.

At the SRO's discretion, the Director may also be present.

ISA will undertake a quality check of the review report and recommendation schedule. This includes reviewing the draft review report for any spelling and grammatical errors, correcting factual inaccuracies or making suggestions where the wording might be nuanced.

The duration of the quality check phase is 1–2 business days.

ISA will then either forward the review report and the recommendation schedule to the SRO for fact checking (v0.2) or return to the RTL for further amendments and subsequently to the SRO for fact checking.

The SRO will then undertake a fact check of the draft review report.

This fact check does not extend to changing the Project Confidence Assessment, making comments or expressing an opinion, adding or removing recommendations, changing their criticality or making other substantive additions or deletions that would alter the original intent of the report content.

The SRO will also be asked to provide an agency response in the recommendation schedule.

The duration of the fact check phase is 1–2 business days.

When the recommendation schedule is forwarded to the SRO during the fact check, they can either:

1. provide an agency response, outline the proposed actions, identify the owner (accountability) and identify the target date when the recommendation will be completed and forward this back to ISA with the fact-checked report response, or
2. provide an agency response with the fact-checked report response and provide the balance of the response within 10 business days (this may be more appropriate for agencies that require Executive approval on actions and accountability).

Any proposed fact changes are provided to ISA. ISA may adopt these changes or forward this to the RTL, who may consult with the other RTMs if the changes are more substantive. If the report is forwarded, the RTL finalises the draft review report (v0.3) and provides it back to ISA for issue as the final record of the assurance review (v1.0)

The review report (v1.0) is provided to the sponsor agency, ISA Board and Cabinet (or any sub-committee).

Confidentiality

In accordance with the ISAAF, review reports are primarily for Cabinet (and/or any sub-committees) and, therefore, information is classified as 'Sensitive: SA Cabinet'.

Distribution

The review team must not distribute copies of any versions of review reports directly to sponsor agencies, project teams or any other party.

ISA or the sponsor agency CE or delegate may distribute the final review report at their discretion, having regard to the confidential nature of the review report.

Format

All report templates must use the correct ISA report template.

All review reports must include a document control table.

All review reports must include a list of all documents reviewed and people interviewed by the review team.

All versions of review reports issued by the review team to ISA are to be in MS Word format.

The final review report issued to the sponsor agency SRO is to be watermarked as 'FINAL' and issued in PDF.

Recommendation Action Plan

In accordance with the ISAAF, the project team is required to provide periodic status updates to ISA until the recommendations are actioned and closed out.

Subsequent assurance reviews will review the status and actions taken on recommendations from the previous review. The review team also take a view on the timeliness and effectiveness of the actions taken to inform the assurance review and any further recommendations.

Reference material

Both the review team and sponsor agency should also refer to the following associated documentation:

- ISA Assurance Framework
- Terms of Reference
- Review Report template
- Recommendations Schedule template
- Interview Schedule template.
- Planning Meeting Agenda template
- Stakeholder List template
- Document List template