

Infrastructure SA

# Assurance Framework

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# Document control and approval

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# Introduction



## Purpose

Infrastructure SA (ISA) has been established under the *Infrastructure SA Act 2018* (the Act) to improve infrastructure planning, prioritisation, operation and implementation.

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.

The Infrastructure SA Assurance Framework (ISAAF) fulfills these roles. It outlines the approaches, requirements and tools to aid this function and deliver benefits for South Australia.

## ISAAF benefits

The ISAAF seeks to deliver the following benefits to the State Government, project/program funding partners and the wider South Australian community:

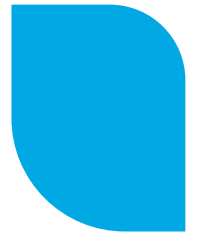
1. Cabinet is continually informed about the status and performance of State Government-funded major infrastructure projects and programs.
2. Cabinet and public authorities undertaking projects/programs are supported with consistent, independent and expert advice.
3. Cabinet and public authorities are better informed and make better decisions about infrastructure projects and programs.
4. Risks are identified early and are appropriately managed and treated.
5. Projects/programs meet service needs, deliver benefits and are completed on time and within budget.
6. Collaboration and continuous improvement is embedded across all infrastructure sectors.

## ISAAF approach

The ISAAF utilises the following approaches to meet requirements and deliver the intended benefits.

1. Major infrastructure projects and programs are continuously monitored to provide Cabinet with transparent and continuous oversight on how they are being managed and delivered.
2. Levels of assurance applied to infrastructure projects/programs are proportionate to the assessed risks.
3. 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.
4. Portfolio-wide risks, issues and trends are analysed and shared across State Government to support better risk identification and management.
5. Good practice and lessons learned are shared across State Government to support continuous improvement and higher rates of infrastructure planning, delivery and operational success.

# Application



## Scope

### Threshold

The ISAAF applies to public authorities undertaking:

- infrastructure projects with an estimated capital investment value of \$50 million (excl. GST) and above, or
- infrastructure programs with an estimated total capital investment value of \$50 million (excl. GST) and above per annum.

The ISAAF is applied irrespective of other investors involved in the funding of the project/program or whether there are separate assurance processes (i.e. Commonwealth Government or private/not-for-profit).

The ISAAF is applied to a project/program irrespective of when it was initiated. For example, if a project was in the delivery phase when the ISAAF was introduced, sponsor agency reporting and assurance review requirements still apply for the remainder of the project/program.

### Requirement to comply with PC049 and ISAAF

The Act, Premier's Circular 049 (PC049) and this ISAAF obligates sponsor agencies to provide regular reporting and engage with the assurance review process as outlined in this ISAAF. The ISAAF recognises the senior responsible officer (SRO) as the individual from the sponsor agency that has overall responsibility and is the single point of overall accountability for the project/program. An SRO is normally a senior executive that reports directly to the Chief Executive of the sponsor agency.

Sponsor agencies that may see additional benefit in undertaking assurance for their projects/programs have the option to voluntarily 'opt-in' to the ISAAF.

### ICT

The ISAAF does not apply to ICT projects or programs.

### Cabinet

Monitoring and assurance reviews are primarily prepared for Cabinet (and/or any sub-committees) and, therefore, information is deemed to be 'SENSITIVE: SA Cabinet'. Notwithstanding the above, ISA may release consolidated and appropriately de-identified analysis to:

- a. provide data, analytics, trends, themes and intelligence, and
- b. support capacity-building across the public and private infrastructure sectors.

### ISA written advice

In accordance with PC049, public authorities seeking significant scope and budgetary directions and/or decisions, or an investment decision from Cabinet (including a Cabinet Committee) are required to be accompanied by written advice from ISA. Such advice should be sought with a minimum of five business days notice.

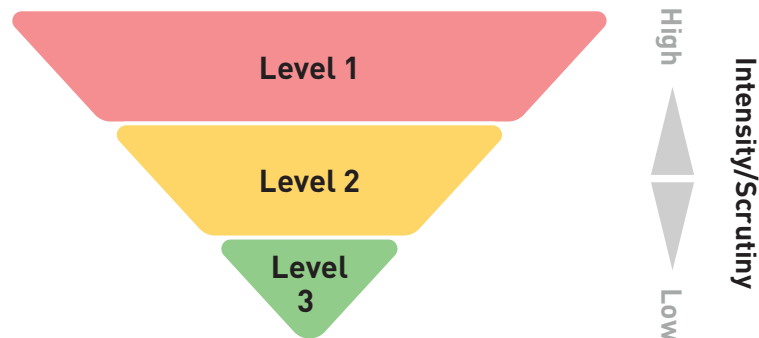
### Cost

ISA's direct and indirect costs to provide assurance will be charged to the relevant sponsor agency. The cost recovery model is reviewed annually by ISA with input from the Department of Treasury and Finance (DTF).

## Project initiation and assurance level assessment

Public agencies that are planning to undertake a project/program that the ISAAF is expected to apply to must self-register the project/program by completing the Initiative Registration Template (located on the ISA website) and undertaking an assurance level assessment.

The assurance level assessment is based upon ISA's 'High Value High Risk' (HVHR) methodology, which combines qualitative criteria and the estimated capital investment value to calculate an assurance level. As the combined risk profile increases and capital investment value increases, the level of assurance that is applied increases. Level 1 is the highest level of assurance that can be applied to a project/program.



To complete the assessment, sponsor agencies are required to use the Assurance Level Calculator.

Sponsor agencies will need to estimate the total capital investment value for the project/program.

Sponsor agencies will also need to undertake an initial assessment of the project/program against the following qualitative criteria:

- Government priority
- Service criticality
- Interface complexity
- Stakeholders and approvals complexity
- Environmental and sustainability complexity
- Funding and procurement complexity
- Delivery complexity
- Agency capability.

ISA calculates a weighted score using a predetermined criteria weighting. The Assurance Level Calculator combines the total weighted score, matches this with the estimated capital investment value and ultimately determines the assurance level of the project.

The assurance level is determined as shown in the table below.

Capital Investment Value					
Weighted Score	>=\$0m	>=\$50m	>=\$75m	>=\$100m	>=\$150m
0%	Level 3	Level 2	Level 2	Level 2	Level 2
30%	Level 3	Level 2	Level 2	Level 2	Level 1
40%	Level 3	Level 2	Level 2	Level 1	Level 1
50%	Level 3	Level 2	Level 1	Level 1	Level 1
75%	Level 3	Level 1	Level 1	Level 1	Level 1

ISA will review the Initiative Registration and the sponsor agency self-assessment and, should ISA's assessment differ to that of the agency, the agency will be provided with an opportunity to justify their initial submission. ISA ultimately determines the assurance level after this consultation.

## Assurance level requirements

Reporting requirements and assurance reviews differ according to each assurance level:

	Level 1	Level 2	Level 3
<b>Gates</b>	1,2,3,4,5	1,2 & 5	No
<b>Health Checks</b>	As determined	As determined	Voluntary
<b>Deep Dives</b>	As determined	As determined	No
<b>Project Report</b>	Monthly	Monthly	Voluntary
<b>RAP Update</b>	Bi-monthly	Bi-monthly	No

Level 3 projects are not required to report to ISA and no independent assurance is required. Sponsor agencies can elect to have assurance reviews conducted by ISA at their discretion.

Should a **program** be separated into individual projects following a Gate 1 Program Review, each individual project will be assessed against the HVHR framework to determine its assurance requirements between Gate 2 and 5. The separated projects will be consolidated back into a program at Gate 5 to assess the benefits of the program in its entirety.

## Raising assurance levels

ISA monitors projects and programs to ensure the right levels of assurance are applied. Should risks, budget and capital investment values increase over the life of a project/program, these changes may increase the overall risk of the project and, therefore, the need for increased levels of assurance. This can result when one or a number of the following occurs:

- The capital investment value increases to a new financial value threshold:
  - From below \$50m to above \$50m
  - From below \$75m to above \$75m
  - From below \$100m to above \$100m
- Project/program risks increase in number and/or severity.

Should ISA or the sponsor agency identify the need to increase the level of assurance, an updated assurance level will be applied by ISA to the project/program.

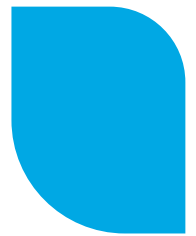
## Lowering assurance levels

If costs and/or risks decrease during a project/program's lifecycle, the assurance level may also be decreased. If the sponsor agency seeks to lower the level, they must consult with ISA.

ISA will liaise with the sponsor agency to consider the approach and all benefits and dis-benefits of lowering the threshold and ultimately provide a decision.



# Monitoring and reporting



## Sponsor agency reporting requirements

Major infrastructure projects and programs are monitored to provide Cabinet with transparent and continuous oversight on how they are being managed and delivered.

Effective monitoring involves a commitment to establishing and building relationships and supplying information on an ongoing basis. Sponsor agencies must provide ISA with reporting on active projects/ programs in accordance with the requirements of the respective assurance level.

Sponsor agency reporting includes:

- Sponsor agency report
- Delivery agencies report to the sponsor agency (when applicable)
- Public Works Committee reports (when applicable)
- Recommendation Action Plans (RAPs).

Sponsor agency reports must include the following sections (reported against the approved project):

- Key achievements
- Required actions and decisions
- Performance against scope
- Intended benefits able to be delivered
- Stakeholders and communications
- Budget (cost and revenue actuals against forecast)
- Issues and risks, with mitigation measures for critical/top five risks
- Any commercial, capability or capacity issues (inc. HR)
- Time and milestones (program/schedule)
- Status of RAPs, and
- Next assurance review (specify month).

Sponsor agencies can provide an ISA formatted report or utilise a sponsor agency formatted report (as long as they include the required sections) until the ISA Assurance Portal is in operation.

Reporting is to be provided by the 15th day of the month to **ISAREports@sa.gov.au** or via the ISA online portal once established in late 2021.

## ISA monitoring

ISA undertakes monitoring of infrastructure projects and programs. The level of monitoring depends on:

- the assurance level (greater emphasis on Level 1 projects)
- the phase the project is in, and
- the level of interest in the project across State Government.

ISA monitoring mechanisms may include, but are not limited to:

- receipt of sponsor agency reports
- regular meetings with program/project directors/teams
- attendance at assurance reviews (the planning day and debrief sessions)
- site visits

- sponsor agencies engaging in ISA strategic initiatives (and vice versa)
- initiating and regularly engaging with agencies and industry to remain informed and assist with evidence-based strategic advice
- attending industry meetings/forums, and
- monitoring the industry and markets, the media (newspapers, internet, technical publications etc).

## ISA reporting

ISA will provide regular reports to Cabinet (Cabinet-in-Confidence) and the ISA Board. These will include:

- project/program confidence assessments and major issues/risks that require immediate attention
- outcomes and reports from recent assurance reviews (including RAPs)
- advice and recommendations to support better investment directions and decisions, and
- areas demonstrating good practice.

In providing this reporting, ISA will undertake the necessary steps to verify the information provided by sponsor agencies and/or prepared by review teams. This may include the following:

- Further assessment of Level 1 projects – potentially with direct input from assurance and/or peer reviewers.
- Independent analysis and advice on key risks, recommended corrective actions and mitigation strategies.

## Project Confidence Assessment

A Project/Program Confidence Assessment (PCA) (previously known as a Delivery Confidence Assessment) is a single rating for a project/program at a point in time.

ISA will provide an overall and continual PCA and retains the right to change a PCA at any point in the project/program lifecycle. A PCA will be based on the project/program's current performance and will provide an assessment on the likelihood of a successful project. The PCA will be informed by the following sources:

- The PCA that was delivered during the most recent assurance review. Gate Reviews and Health Checks provide an independent PCA at a particular point in a project/program's lifecycle.
- The sponsor agency's performance in addressing RAPs from previous assurance reviews.
- Ongoing sponsor agency reporting to ISA.
- Ongoing ISA monitoring.

A PCA has five grades of confidence, ranging from Green (successful project delivery appears highly likely) through to Red (successful project delivery appears unachievable), with definitions as shown below.

<b>Green</b>	Successful project delivery appears highly likely. No major outstanding issues or risks identified at this stage.	
<b>Green</b>	<b>Amber</b>	Successful project delivery appears likely. Minor issues and/or risks identified with appropriate mitigation measures provided.
<b>Amber</b>	Successful project delivery appears feasible. Major issues and/or risks identified with appropriate mitigation measures provided.	
<b>Amber</b>	<b>Red</b>	Successful project delivery appears to be in doubt. Major issues and/or risks identified needing immediate action.
<b>Red</b>	Successful project delivery appears unachievable. Major issues and/or risks identified and do not appear to be manageable or resolvable.	



# Independent assurance reviews

## Assurance reviews

Assurance reviews are short and sharp examinations undertaken by independent experts (internal and external to State Government) during a project/program’s lifecycle.

Assurance reviews consider the current status of the project/program, identify issues and risks that could potentially jeopardise successful delivery and deliver an independent PCA and a clear set of recommendations to improve its management and delivery.

The ISAAF includes a range of assurance review types – Gate Reviews are required, while Health Check and Deep Dives are discretionary and can be used at any point in the project/program’s lifecycle.

The key requirements and features of the review types are summarised in the table below and also detailed in the following sections.

	Required	Specific Terms of Reference (ToRs)	Performance against key focus areas*	Recommendations	Project Confidence Assessment
<b>Gate</b>	Yes	Yes	Yes	Yes	Yes
<b>Health Check</b>	As determined	Yes	Yes	Yes	Yes
<b>Deep Dive</b>	As determined	Yes	No	Yes	No

\* See page 11.

Sponsor agencies have the option to develop an Assurance Plan for large-scale and complex projects and/or programs.

Full details about the assurance review process is provided in the Assurance Review Guide.

## Gate Reviews

Gate Reviews are undertaken prior to key decision points in a project/program's lifecycle and inform key directions and decisions about how it should progress.

Note: There is no formal Gate Review corresponding to Initiative Registration or the Strategic Assessment phase. ISA will undertake an internal review prior to the sponsor agency proceeding with the Options Analysis phase.

### Gate 1: Options Analysis

This review occurs once the Options Analysis phase is 95-100% complete. It investigates the following:

1. How well the project/program has analysed a range of options to meet the service need and maximise benefits at optimal cost.
2. How well the project/program is performing against the five key focus areas.
3. Whether the proposed way forward is achievable and will successfully support the business case.

### Gate 2: Business Case

This review occurs once the business case phase is 95-100% complete and prior to an investment decision by Cabinet and any other funding partners. It investigates the following:

1. How well the project/program has proven the recommended option best meets the service need and maximises benefits at optimal cost.
2. How well the project/program is performing against the five key focus areas.
3. If the project/program is ready for an investment decision by Cabinet.

### Gate 3: Procurement Review

This review occurs after the investment decision by Cabinet and prior to the main works procurement activity/phase. Undertaking the review before or after the release of an EOI/ROI will be determined on a project-by-project basis. ISA may also undertake a Health Check following evaluation and negotiation and prior to contract(s) award. It investigates the following:

1. How well the project has developed a procurement and delivery approach to deliver the technical solution and realise the benefits outlined in the business case.
2. How well the project/program is performing against the five key focus areas.
3. If the project is ready to be released to market and delivered.

### Gate 4: Service Readiness Review

This review occurs upon practical completion and prior to the operational phase. It investigates the following:

1. How well the project and asset owner and/or operator has planned the transition from project delivery to service/operations to ensure the benefits outlined in the final business case will be achieved.
2. If the asset/infrastructure is ready for service.
3. How well the project/program is performing against the five key focus areas.
4. If there is a basis for benefits realisation and evaluating ongoing performance.

### Gate 5: Benefits Realisation Review

This review occurs approximately 12 months after Gate 4 and investigates the following:

1. How well the project has delivered the benefits identified in the business case and benefits management plan.
2. How well the project/program has performed against the five key focus areas.
3. What can be learned and how future projects/programs can be improved.

## Modifying Gate Reviews

For some projects or programs there may be a significant benefit in deferring, combining, varying or not undertaking a particular Gate Review. Potential benefits include the State Government realising an *unexpected* funding opportunity (Commonwealth stimulus outside of usual cycle) or a favourable market-based opportunity (favourable market offers, conditions and prices for products or services). The *benefits would need to significantly outweigh the risks* of not undertaking the standard sequence of Gate Reviews.

The sponsor agency must request a combination, deferral, variation or not undertaking a Gate Review in writing to ISA. The ISA Chief Executive retains the right to approve a combination, deferral, variation or not undertaking a Gate Review.

## Health Checks and Deep Dives

Health Check reviews usually cover five key focus areas (see page 11). ISA may undertake Health Checks at any point in the project/program's lifecycle if the project/program has a low confidence assessment and/or faces a number of significant issues that are threatening successful delivery. Significant issues might be identified through ISA monitoring or raised by another entity.

Deep Dives focus on one or a small number of *highly significant issues* that are threatening successful project delivery. ISA may undertake Deep Dives between Gate Reviews.

Significant issues might be identified through ISA monitoring or raised by another entity and may include the following:

- Scope is significantly changing.
- Stakeholder engagement isn't being managed well and is having an impact on the project.
- The project is currently or at risk of overspending or significantly underspending.
- Progress is significantly behind schedule.
- Deliverability has significantly changed.
- Risks are increasing in number and/or in severity.
- The project/program is in a critical phase.
- A major incident has occurred during a project.
- Insufficient information and evidence is available.
- Insufficient progress has been made on addressing recommendations provided in a previous review.

## Initiating Health Checks and Deep Dives

Health Checks and Deep Dives can be recommended by the:

- ISA Director, Assurance
- assurance review team (as a recommendation from a previous review)
- ISA Board
- Premier or Cabinet, or
- Sponsor agency Minister, Chief Executive or SRO.

The reason or trigger for initiating a Health Check or Deep Dive review must be provided to the ISA Chief Executive for consideration. The ISA Chief Executive retains the right to approve ISA undertaking Health Checks and Deep Dives.

# Assurance review reports



## Report structure

Assurance review reports outline key findings from an assurance review, addressing its:

- purpose
- particular focus and specific Terms of Reference (ToR)
- overall findings
- recommendations to improve the project via a Recommendation Action Plan (RAP)
- assessment against the five key focus areas for future analysis, and
- recommendation themes for future analysis.

## Key focus areas

ISA has identified five key focus areas (KFAs) that projects and programs will be assessed against during Gate Reviews and Health Checks. KFAs remain constant over the project/program lifecycle, allowing ISA to track performance and undertake comparative analysis across all major infrastructure projects and programs.

1. **Strategic Fit** examines the strategic alignment, case for change, integration and intended benefits and outcomes.
2. **Stakeholders** examines stakeholder identification, engagement and management and the level of support by users and key stakeholders.
3. **Impact and Value for Money** examines economic, social, environmental, sustainability and financial impacts and the overall value for money, affordability and commercial viability.
4. **Governance and Risk Management** examines governance, project management, risk management, change management and decision-making.
5. **Infrastructure Delivery** examines capacity, capability and timeframes for the delivery solution.

Each KFA in each Gate Review and Health Check will be issued with one of three ratings:

KFA ratings	
<b>STRONG</b>	The approach is strong, requirements are being met and/or exceeded and there are no major issues at this stage.
<b>SATISFACTORY</b>	The approach is satisfactory, requirements are generally being met; however, there are also issues that require attention.
<b>WEAK</b>	The approach is weak, requirements are generally not being met and there are significant issues that require immediate attention.

Further information about the key questions and expected evidence for each KFA can be located in the respective Gate Review and Health Check workbooks.

## Recommendations and Recommendation Action Plans (RAPs)

Each review will generate recommendations on how to improve the project/program, which will be recorded on a RAP. Recommendations will be prioritised according to the following definitions:

<b>Critical (Do Now)</b>	This item is critical and urgent. The project team should take action immediately. It means fix the key problems fast, not stop the project.
<b>Essential (Do By)</b>	The recommendation is important but not urgent. The project team should take action before further key decisions are taken.
<b>Suggested</b>	The recommendation is not considered critical or urgent but project development may benefit from the uptake of this recommendation.

Sponsor agencies are required to detail how they will address each recommendation, including actions, timing and project team responsibilities.

## Recommendations themes

Each recommendation will be assigned one of the following 15 themes to enable ISA to track performance against KFAs and undertake comparative analysis across all major infrastructure projects and programs.

Theme	Definition
<b>1. Case for change</b>	<ul style="list-style-type: none"> <li>Project/program does not align with government priorities.</li> <li>Case for change is not clearly articulated or sufficiently succinct and the justification for the investment is not substantiated.</li> <li>Project/program scope does not align with the identified benefits and KPIs have not been developed.</li> <li>Project/program scope, scale and requirements have not been appropriately articulated.</li> </ul>
<b>2. Integration</b>	<ul style="list-style-type: none"> <li>Consideration of interfacing services, networks and infrastructure is inadequate.</li> <li>Consideration for integrated urban development and place-making opportunities is inadequate.</li> </ul>
<b>3. Benefits management</b>	<ul style="list-style-type: none"> <li>Benefits management plan to identify, quantify or assign responsibility for benefits is inadequate or lacking.</li> </ul>
<b>4. Stakeholder management</b>	<ul style="list-style-type: none"> <li>Stakeholder strategy/management plan is missing or not up-to-date.</li> <li>Stakeholder consultation and/or consideration of stakeholder views/concerns is inadequate or lacking.</li> </ul>
<b>5. Quality of business case</b>	<ul style="list-style-type: none"> <li>Analysis, assumptions and/or documentation demonstrating rigour and clear articulation is inadequate or lacking.</li> <li>Identification and/or assessment of options to meet service need is inadequate/incomplete.</li> <li>Alternative options, including a realistic base case, are poorly explained/justified.</li> <li>Clear justification for the preferred option is lacking.</li> </ul>
<b>6. Impact assessment</b>	<ul style="list-style-type: none"> <li>Consideration, documentation and assessment of the economic, financial, social and environmental sustainability impacts of the project/program is inadequate or lacking.</li> </ul>

Theme	Definition
<b>7. Governance and project management</b>	<ul style="list-style-type: none"> <li>• Governance frameworks are not fit for purpose or understood by team members and/or there is a lack of definition around roles, understanding of responsibilities, decision-making frameworks and single-point accountability.</li> <li>• Active senior level support is lacking.</li> <li>• Quality of reporting is inadequate.</li> <li>• Project/program management and/or controls are inadequate or lacking.</li> </ul>
<b>8. Risk identification</b>	<ul style="list-style-type: none"> <li>• Key risks are overlooked, missed or not adequately considered.</li> </ul>
<b>9. Risk treatment and management</b>	<ul style="list-style-type: none"> <li>• Rigour, process and accuracy relating to cost estimates and contingency estimating, planning and management is insufficient.</li> <li>• Risk management plan requires strengthening, mitigation measures and contingency management plans have not been developed or are not up-to-date.</li> </ul>
<b>10. Procurement</b>	<ul style="list-style-type: none"> <li>• Procurement strategy and/or planning is inadequate, documentation does not ensure transparency in the decision-making process.</li> <li>• Delivery strategy not appropriately detailed and project staging not addressed.</li> <li>• Understanding of market and supplier capability and capacity is lacking.</li> </ul>
<b>11. Change management</b>	<ul style="list-style-type: none"> <li>• Effective mechanism to identify the changes necessary to achieve project outcomes is lacking.</li> <li>• Change management plan is inadequate or lacking.</li> </ul>
<b>12. Operational readiness planning</b>	<ul style="list-style-type: none"> <li>• Mechanisms to ensure effective readiness planning, prioritisation, management and operation are inadequate or lacking.</li> <li>• Operational governance and management structures not determined and/or established.</li> </ul>
<b>13. Sharing knowledge across government</b>	<ul style="list-style-type: none"> <li>• Processes to capture and share lessons learned (errors and successes) are inadequate or lacking.</li> </ul>
<b>14. Resourcing</b>	<ul style="list-style-type: none"> <li>• The resource plan, including for the next stage in the project lifecycle, has not been developed or resources identified are not adequate, key roles lack appropriate capability and expertise.</li> <li>• Funding for the next phase not confirmed or allocated, gaps in project funding, lack of suitable funding strategy.</li> </ul>
<b>15. Time management</b>	<ul style="list-style-type: none"> <li>• The schedule (program) has not been appropriately developed and is not reflective of project/program risks and timing.</li> </ul>



# Collaboration and continuous improvement

A key component of the ISAAF is for ISA to regularly evaluate the performance of the framework and contribute to the analysis of project and assurance issues and trends.

ISA will analyse portfolio-wide risks, issues and trends and share good practice and lessons learned across State Government to support continuous improvement and higher rates of success.

Action	Frequency
ISA will prepare and publish an Annual Report for Cabinet that will: <ul style="list-style-type: none"><li>• highlight key issues and trends that were identified through ISA monitoring and assurance reviews</li><li>• articulate lessons learned from completed projects, and</li><li>• provide broader recommendations and areas for improvement.</li></ul>	Annually
ISA will provide a redacted Annual Report to agencies, including agency-specific data analysis, thematic and trend analysis, areas of good practice and recommendations for improvement across the portfolio.	Annually
ISA will report to Cabinet on the performance of sponsor agencies in addressing review recommendations.	Monthly
Sponsor agencies will submit Evaluation and Completion Reports and Lesson Learned documents to ISA.	At project closure or at Gate 5 (whichever comes first)
ISA will assess ISAAF performance in key areas and propose amendments or updates to the Framework where appropriate.	Biennially

# Glossary

Term	Definition
<b>Assurance framework/ Framework/ISAAF</b>	Refers to this document and all supporting and associated material.
<b>Assurance reviews</b>	Assurance reviews look to identify project/program risks that could potentially jeopardise successful delivery as well as identify any opportunities for improvements to ensure the best possible outcome for the project/program. Assurance reviews refer to Gate Reviews, Health Checks, Deep Dives and Supplementary Reviews.
<b>Assurance reviewers, Assurance review team</b>	Independent, highly experienced industry experts selected from a panel to conduct assurance reviews. An assurance reviewer may be a member of an assurance review team.
<b>Assurance level/Level</b>	Tier-based classification of the amount of assurance required for a project or program based on its risk potential and financial investment from State Government. Risk assessment conducted via a qualitative risk profile criteria with Level 1 being High Value High Risk projects and Level 3 having the lowest risk profile/value.
<b>Assurance Plan</b>	An optional plan that is prepared by a sponsor agency at the commencement of a project to outline the proposed assurance requirements for the project.
<b>Cabinet</b>	For the purposes of this document, Cabinet refers to the full Cabinet and/or Cabinet Committees of the South Australian Government.
<b>Capital Investment Value</b>	In accordance with the Infrastructure SA Act, capital investment value of a project includes all costs necessary to establish the project (including design, construction and land costs but not including GST).
<b>Deep Dives</b>	Deep Dives are undertaken between Gate Reviews and focus on particular impacts, issues and/or risks of a project or program.
<b>Delivery agency</b>	The State Government agency appointed by a sponsor agency to deliver an infrastructure project/program on its behalf.
<b>Gate/Gateway</b>	Gates mark key decision points and/or the commencement of a new phase in the lifecycle of a project or program.
<b>Gate Review</b>	Gate reviews are undertaken at or prior to key decision points and/or the commencement of a new phase in the lifecycle of a project or program.
<b>Health Checks</b>	Health Checks are similar to Gate Reviews; however, they are undertaken between gates. Health Checks seek to identify and correct issues that may emerge between key decision points in a project/program's lifecycle.
<b>High Value High Risk</b>	The HVHR methodology supports the ISAAF by ensuring appropriate levels of assurance and reporting are applied and tailored in proportion to a project's potential risk profile and investment from State Government.
<b>Infrastructure</b>	The physical assets and structures that enable the services necessary to sustain or enhance the economy or liveability of South Australia.
<b>Investor assurance</b>	Assurance that is undertaken primarily for the benefit of the investor; in the case of the Framework, this is the South Australian Government.

Term	Definition
<b>Major infrastructure project/program<sup>1</sup></b>	<p>In accordance with the <i>Infrastructure SA Act</i>:</p> <p><i>A project to provide infrastructure that has a capital investment value of \$50 million or more or, if some other amount (whether greater or smaller) is prescribed by regulation for the purposes of this definition, that other amount; or</i></p> <p><i>A program to provide infrastructure that has a capital investment value of \$50 million or more per annum, if some other amount (whether greater or smaller) is prescribed by regulation for the purposes of this definition, that other amount; or</i></p> <p><i>A project, or a project of a class, to provide infrastructure that is determined by the Minister to be a project, or project of a class, requiring oversight or coordination by Infrastructure SA.</i></p> <p>Maintenance projects and programs.</p>
<b>Program</b>	A group of related infrastructure projects managed in a coordinated way to obtain benefits and control not available from managing them individually. <sup>2</sup>
<b>Project</b>	<p>A temporary endeavour undertaken to create a unique project service or result.<sup>3</sup></p> <p>A project is considered a Project from inception (registration) to benefits evaluation (Gate 5).</p> <p>A particular infrastructure Project may or may not be part of an infrastructure Program.</p>
<b>Project/Program Confidence Assessment</b>	A PCA, previously referred to as a delivery confidence assessment, is a single rating for a project/program at a point in time.
<b>Project team</b>	The team formed to plan, develop and deliver a project/program and may include representatives from the sponsor agency, the delivery agency, consultants and contractors.
<b>Project Report</b>	Project report that is prepared by the sponsor agency and provided to ISA in accordance with frequency required for the project/program level.
<b>Public Authority</b>	<p>As defined by the South Australian Public Finance and Audit Act 1987, and includes:</p> <ul style="list-style-type: none"> <li>a. a government department;</li> <li>b. a Minister;</li> <li>c. a statutory authority— <ul style="list-style-type: none"> <li>(i) that is an instrumentality of the Crown; or</li> <li>(ii) the accounts of which the Auditor General is required by law to audit.</li> </ul> </li> </ul>
<b>Public sector agencies</b>	Public sector agencies as defined in the Public Sector Act 2009.
<b>Senior Responsible Officer (SRO)</b>	<p>An individual from the sponsor agency that has overall responsibility and the single point of overall accountability for the project/program.</p> <p>The SRO is generally a senior executive, one level down from the Chief Executive.</p>
<b>Sponsor agency</b>	The public authority that initiates the project, develops the business case, secures the funding and ensures the project/program is delivered in accordance with the sponsor agency's needs and requirements.
<b>Sponsor agency reporting</b>	Periodic project statistical and status reporting by agencies to ISA.

1 Within in this document any reference to 'projects', in most cases, also refers to applicable programs

2 PMBOK (Project Management Body of Knowledge) 4th edition

3 PMBOK 3rd edition

# Process for assessment of project/program level

- Complete Initiative Registration Template
- Complete a Strategic Assessment Template (optional)

- Estimate State Government financial investment (incl GST)
- Estimate the capital investment value (excl GST)
- Assess the initiative against the risk profiling tool criteria
- Complete the Assurance Level Calculator

- Forward the Initiative Registration Template, Strategic Assessment Template and Assurance Level Calculator to Infrastructure SA (ISA)

- ISA will review assessment
- Should ISA's assessment differ to that of the agency, the agency will be provided an opportunity to justify their initial submission

- ISA will set the assurance level
- The sponsor agency will comply with level's requirements

# Risk profiling tool criteria

Criteria weighting	Rating	Rating characteristics
<b>Agency capability: 15%</b> The track record, level of skills and experience a delivery agency has demonstrated in project/program delivery, including the skills and expertise that may be recruited or procured for the development and/or delivery of the proposed project/program.	4	<b>Very high agency capability risk</b> No projects of this type delivered within the previous 10 years.
	3	<b>High agency capability risk</b> Few number of similar projects delivered in the last 10 years.
	2	<b>Medium agency capability risk</b> At least five projects of this type over the previous five years.
	1	<b>Low agency capability risk</b> Multiple recurring projects of this type.
	0	<b>Very low agency capability risk</b> 'Business as usual' type projects.
<b>Delivery complexity: 25%</b> The degree of potential complexity a project or program may face during delivery, such as coordinating multiple project stages, relying on new or untested technologies that are difficult to forecast, complex terrain or geography, and the extent to which the project includes information and communications technology (ICT) elements.	4	<b>Very high delivery complexity</b> Project involves multiple stages, new or untested technologies and faces very complex deliverability issues e.g. high amount of ICT, complex terrain or environmental restrictions.
	3	<b>High delivery complexity</b> Project involves few stages and faces some complex deliverability issues, including ICT.
	2	<b>Medium delivery complexity</b> Project faces few complex deliverability issues.
	1	<b>Low delivery complexity</b> Project type is fairly common and has been delivered within the previous five years.
	0	<b>Very low delivery complexity</b> Project type is common and recurring within the previous five years.
<b>Government priority: 10%</b> The extent to which a project or program is prioritised and forecast to occur, where: <ul style="list-style-type: none"> <li>the priority is mandated in a strategic government document, such as the 20-Year State Infrastructure Strategy, an election commitment, the SA Budget or as result of a legislative change.</li> <li>the project is forecast to commence planning/development and construction</li> </ul>	4	<b>Very high government priority</b> Mandated priority project, with business case or construction to be completed within projected estimates.
	3	<b>High government priority</b> Mandated priority project, with business case or construction to commence within projected estimates.
	2	<b>Medium government priority</b> Mandated priority project, with business case or construction to be completed outside projected estimates but within the next 1–2 years beyond forward projections.
	1	<b>Low government priority</b> Mandated priority project, with business case and construction to commence outside forward estimates but within the next 3–6 years beyond forward projections.
	0	<b>Very low government priority</b> Agency priority in strategic planning document over the next 10 years.

Criteria weighting	Rating	Rating characteristics
<p><b>Service criticality: 10%</b></p> <p>The extent to which a project/ program is deemed to be crucial to meet a deficiency that, if not addressed, may have major adverse consequences on the community or prevent the growth of a new community.</p>	<b>4</b>	<p><b>Very high project need</b></p> <p>Addresses an urgent and critical deficiency that could adversely impact service delivery for:</p> <ul style="list-style-type: none"> <li>• an existing community e.g. provision of water or energy security or the growth of a new community, or</li> <li>• an accelerated and unexpected demand for services e.g. meeting rising demand for correctional facilities or provide critical transport access.</li> </ul>
	<b>3</b>	<p><b>High project need</b></p> <p>Addresses a serious deficiency that could have a high impact upon service delivery for an existing community or the growth of a new community.</p>
	<b>2</b>	<p><b>Medium project need</b></p> <p>Addresses an important deficiency that could have a medium impact upon service delivery for an existing community or the growth of a new community.</p>
	<b>1</b>	<p><b>Low project need</b></p> <p>Addresses some deficiency that could have a low impact upon service delivery for an existing community or the growth of a new community.</p>
	<b>0</b>	<p><b>Very low project need</b></p> <p>Addresses minor deficiency that could have a very low impact upon service delivery for an existing community or the growth of a new community e.g. provision of cultural projects.</p>
<p><b>Funding and procurement complexity: 15%</b></p> <p>The degree of certainty or complexity in funding or required procurement method required for the successful delivery of the project. This could include complex mechanisms for funding such as private or multiple funders, or sophisticated procurements such as a PPP or (Agency) non-traditional methods.</p>	<b>4</b>	<p><b>Very high funding and procurement complexity</b></p> <ul style="list-style-type: none"> <li>• Funding arrangements are highly complex and include multiple parties (Federal, local and private entities), or</li> <li>• Highly complex procurement e.g. Public Private Partnership (PPP), or a hybrid that includes a PPP.</li> </ul>
	<b>3</b>	<p><b>High funding and procurement complexity</b></p> <ul style="list-style-type: none"> <li>• Funding arrangements are fairly complex and include multiple parties (Federal, local and private entities), or</li> <li>• Unconventional complex procurement e.g. an alliance or hybrid alliance not normally undertaken by the agency.</li> </ul>
	<b>2</b>	<p><b>Medium funding complexity</b></p> <ul style="list-style-type: none"> <li>• Funding arrangements are not complex and include multiple parties (Federal, local and private entities), or</li> <li>• Limited procurement complexity e.g. early contractor involvement.</li> </ul>
	<b>1</b>	<p><b>Low funding complexity</b></p> <ul style="list-style-type: none"> <li>• Funding or procurement arrangements are not complex and include no more than two funding entities (Federal, local or private entities), or</li> <li>• Minor procurement complexity e.g. directly managed contract or design and construct.</li> </ul>
	<b>0</b>	<p><b>Very low funding complexity</b></p> <p>Funding or procurement is straight forward and routine.</p>

Criteria weighting	Rating	Rating characteristics
<b>Stakeholders and approvals complexity: 10%</b> <ul style="list-style-type: none"> <li>The extent to which the project will require extensive management of stakeholders e.g.: <ul style="list-style-type: none"> <li>Organisations, where the organisations are involved in project funding or have operational responsibilities</li> <li>Planning agencies, where rigorous management is required to obtain necessary approvals for the project</li> </ul> </li> <li>Political, where there is a potential political interface and the outcomes of projects/ programs may be impacted from this.</li> </ul>	4	<b>Very high complexity</b> Project requires extensive management of stakeholders and/or approvals.
	3	<b>High complexity</b> Project requires high amounts of management of stakeholders and/or approvals.
	2	<b>Medium complexity</b> Project requires minor amounts of management of stakeholders and/or approvals.
	1	<b>Low complexity</b> Project requires minimal amounts of management of stakeholders and/or approvals.
	0	<b>Very low complexity</b> Project requires no amounts of management of stakeholders and/or approvals.
<b>Environmental and sustainability complexity: 10%</b> The extent to which successful delivery may be impacted due to issues related to heritage, climate change and/or sustainability.	4	<b>Very high complexity</b> Project has very high complexity in relation to heritage, climate change and/or sustainability issues.
	3	<b>High complexity</b> Project has high complexity in relation to heritage, climate change and/or sustainability to issues.
	2	<b>Medium complexity</b> Project has a minor amount of complexity in relation to heritage, climate change and/or sustainability issues.
	1	<b>Low complexity</b> Project has minimal complexity in relation to heritage, climate change and/or sustainability issues.
	0	<b>Very low complexity</b> Project has no complexity in relation to heritage, climate change and/or sustainability issues
<b>Project interface complexity: 5%</b> The extent to which successful delivery of the proposed project/ program has interdependencies with other projects that may impact its scope or cost.	4	<b>Very high interface complexity</b> Fully interdependent on other projects or services.
	3	<b>High interface complexity</b> Important interdependencies with other projects or services.
	2	<b>Medium interface complexity</b> Minor interdependencies with other projects or services.
	1	<b>Low interface complexity</b> Minimal interdependence with other projects or services.
	0	<b>Very low interface complexity</b> No interdependence on other projects or services.

# List of acronyms

Acronym	Definition
HVHR	High Value High Risk
ISA	Infrastructure SA
ISAAF	Infrastructure SA Assurance Framework
PCC/PC	Premier and Cabinet Circular/Premier's Circular
PCA	Project/Program Confidence Assessment
RAP	Recommendation Action Plan
SRO	Senior responsible officer



# Contact

## **Infrastructure SA**

Level 15, Wakefield House  
30 Wakefield Street  
Adelaide SA 5000

GPO Box 2343  
Adelaide SA 5000

**T** +61 (0)8 8226 5901

**E** [ISAAssurance@sa.gov.au](mailto:ISAAssurance@sa.gov.au)

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Infrastructure SA acknowledges that the spiritual, social, cultural and economic practices of Aboriginal people come from their traditional lands and waters, and that Aboriginal people maintain cultural and heritage beliefs, languages and laws which are of ongoing importance today.

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