



Infrastructure and Projects Authority

Assurance Bulletin

S/No. 002

Subject: Stage Gate Assessments – Clarity of Determination

Date Uploaded:

Effective From: With immediate effect

Expires: Ongoing

Applies to: Relevant IPA Assurance events: Stage Gate Reviews (including Annual Reviews), AAPs and MPRG PARs

Audience: RTL, RTM, AO, SRO, PDs **For Information:** DAC, SPOC, NAO & GIAA

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Background

IPA Assurance Reviews are delivered to provide a Stage Gate Assessment of all GMPP Tier A projects. These reviews support government decision making where programmes and projects seek to progress through the associated life-cycle of the HMT Green Book. In the case of reviews where there is no applicable stage gate (Gate 0/ Annual Reviews) the overall status of the programme/project is assessed and a rating is provided.

Since April 2021 IPA have based Assurance Review ratings on a 3 level SGA (RAG), the advantages of which:

- Provide clarity over the condition/ position of the programme/project [dn:when applied correctly]
- Allow for improved, Assurance supported, decision making;
- Improves Assurance derived data learning and trend analysis
- Drives targeted 'consequential assurance' to support decision making
- Drives clear distinction between SGA ratings

IPA Assurance Review Ratings & Definitions

Green	Successful delivery of the programme/project to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery. Recommendation: <i>The programme/project is ready to proceed to the next stage.</i>
Amber	Successful delivery of the programme/project to time, cost and quality appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun. Recommendation: <i>This programme/project can proceed to the next stage with conditions but the programme/project must report back to the IPA and HMT on the satisfaction of each time bound condition within an agreed timeframe.</i>
Red	Successful delivery of the programme/project to time, cost and quality appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The programme/project may need re-baselining and/or its overall viability re-assessed. Recommendation: <i>This programme/project should not proceed to the next phase until these major issues are managed to an acceptable level of risk and the viability of the project/programme has been re-confirmed.</i>

However, as with all development, there are areas for further improvement. In particular, there have been examples where SGA ratings have been given based on criteria outside the definitions stated above. These have included: considerations of the future state of projects or programmes, predictions and subjective views on the possible impact of an SGA rating (i.e. where a Red SGA might negatively affect the programme etc.) on ongoing programme/project delivery as well as taking excessive credence of SRO preference rather than fact.

Guidance/Direction

When finalising and allocating a Review SGA, RTs should:

- Provide a single rating: Red, Amber or Green. Multiple ratings for different sections of the review/programme/project are not acceptable.
 - Ensure the report, particularly, the Executive Summary, clearly explains the rationale for the decision, especially where the rating is finely balanced between two ratings
 - Base the decision on the project/ programmes performance against the direction set out in the Terms of Reference
 - Is linked to a particular decision point and
 - Is time-bound, i.e. The SGA is given, based on a 'snapshot' of the project at the time of the review.
 - Not project forward in their considerations (i.e. If X happens post review, then Y would change the rating etc.)
 - Only allocate ratings based on evidence presented and determined at the time of the review.
 - Raise any concerns with their AL or PDA immediately
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Note:

RTs are reminded that allocating a Red rating at SGA will automatically lead to the Programme/Project receiving an Assurance of Action Plan (AAP), approximately 12 weeks following the review. Response to Red is an opportunity to validate any contention that the programme will improve after the date of the review if/when etc.

Approval/Issued By: Helen Campbell, Gary Flanagan

Notes / Links to additional documentation

[Issued via email, pending establishment of web hosting location](#)
