

GOVERNMENT OF WESTERN AUSTRALIA

Procurement Act 2020

‘Improving the Outcomes of Major Projects Through Gateway Reviews’

REVOKED

Purpose¹:

- a) To implement Government’s commitment to delivering Gateway Reviews for major government projects or programs.
- b) To revoke General Procurement Direction 2021/05 ‘Improving the Outcomes of Major Projects Through Gateway Reviews’

General Procurement Direction: 2024 / 03

1. Scope of Operation and Timing:

This procurement direction is issued by the Deputy Director General, Advisory Services, as delegate of the Minister for Finance.

This procurement direction is issued to all State agencies and applies on and from 1 July 2024.

This general procurement direction does not apply to Government Trading Enterprises, though Gateway Reviews are still recommended for these bodies.



19 June 2024

Kate Ingham
Deputy Director General
Department of Finance
as delegate of the Minister for Finance

Date

¹ Purpose: the contextual information under this heading does not form part of the Direction

2. Revocation of General Procurement Direction 2021/05

General Procurement Direction 2021/05 'Improving the Outcomes of Major Projects Through Gateway Reviews' is revoked and replaced by issue of this General Procurement Direction 2024/01 'Improving the Outcomes of Major Projects Through Gateway Reviews'.

3. Mandatory Gateway Reviews

The following categories of projects must be subject to a minimum of two Gateway Reviews, with one of these being at the Business Case gate:

- infrastructure projects valued at \$100 million (inclusive of GST) and above;
- ICT projects valued at \$10 million (inclusive of GST) and above; and
- other projects identified by the Department of Treasury.

An exception to the requirement for a Gateway Review at the Business Case gate will apply to infrastructure projects that are subject to a Step 2 or Step 3 Major Infrastructure Proposal Assessment by Infrastructure WA. These projects will be subject to a minimum of one Gateway Review at another gate.

State agencies with projects that fall within the above categories are required to contact the Department of Finance Gateway Unit (Gateway Unit) at the earliest opportunity in the project life cycle, and at the latest before business case approval, to arrange the review process.

The Gateway Unit will discuss the Gateway process with the agency and recommend the most appropriate gates for the review.

4. Exemption from Mandatory Reviews

Projects that are demonstrably low risk or for which a Gateway Review would not be beneficial may be exempted from all or part of the Gateway Review process at the discretion of the Department of Finance. State agencies may apply to the Gateway Unit for an exemption of this kind.

5. Non-Mandatory Reviews

State agencies may request a Gateway Review for a project that does not meet the value thresholds but is considered high risk, by application to the Gateway Unit.

6. Notice to the Minister

State agencies must brief the relevant Minister(s) when a Gateway Review process results in a project being rated as 'red' or 'red-amber' or a recommendation being rated as 'red'. Such briefings must inform the relevant Minister(s) of the significant issue(s) identified through the Gateway Review process; the actions and/or risk mitigation strategies that will be undertaken to address each issue of concern; the timeframe to implement the actions or strategies; when the agency will inform Gateway Unit of its actions; and when a subsequent Gateway Review will occur.

7. Further information

Gateway is a project assurance methodology designed to support the effective development, planning, management and delivery of major projects and programs. It is a

proven, cost-effective and confidential process which provides independent advice to improve project outcomes.

There are six 'gates' at which reviews can take place, and each gate focuses on the key issues for a project at the time of review. The gates are as follows:

1. Strategic Assessment
2. Business Case
3. Readiness for Market
4. Tender Decision
5. Readiness for Service
6. Benefits Evaluation

Where possible, reviews are tailored to the needs of individual organisations and projects. The Gateway Unit offers advice, support and leadership to agencies in meeting requirements and achieving benefits from reviews.

For enquiries, contact the Gateway Unit at gateway@finance.wa.gov.au.

END OF DIRECTION