

The Department

TSFM Programme

Assurance Plan

V0.1

July 2014

Document Approval

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DOCUMENT CONTROL

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1. PROGRAMME CONTEXT

1.1 Key Objectives and Outcomes

The Department is undertaking a significant transformational programme that will change the way it delivers critical services to New Zealanders. The new service model will include the participation of a number of public sector agencies working as one together with private sector service providers to deliver the transformation.

The TSFM Programme has been established to manage and deliver the transformation. It will be a three-year, multi-tranche programme of work comprising a number of delivery projects. The Department will be accountable for the governance, management and oversight of the TSFM Programme. It will work in collaboration with the central agencies to effect the transformation that is required.

The vision of TSFM Programme is to provide New Zealanders with joined-up public and private sector services simply and when they are needed.

The key investment objectives of the TSFM Programme are:

- Transformed customer service delivery – Providing customers with more choice in the way they interact and engage with the Department, other public sector organisations and private sector service providers.
- More timely response to customer needs – Significantly reduce the time taken for the Department, other public sector organisations and private sector service providers to respond to customer needs.
- A 'joined-up' service response and single point of customer contact – Significantly improve the quality and effectiveness of service to the customer.
- Remove technology complexity and cost – Adoption of All-of-Government (AoG) common capabilities and technologies as much as practical.

The programme has three separate areas of focus that will be managed as inter-related and inter-dependent projects within the TSFM Programme:

- Service Model
- Organisation Design
- Technology Enablers

A high level overview of the structure of the TSFM Programme and timeline are shown below.

	<div> <div>← 8 months →</div> <div>← 18 months →</div> <div>← 10 months →</div> </div>			
Focus	Tranche 1	Tranche 2	Tranche 3	Projects
Service Model	Future service and process map - as is, to be, gap analysis, change initiatives	Future Department customer service design and implementation	Future integrated cross-agency service design and implementation	Project 1: Service Transformation Project
Organisational Design	Future Org Design - as is, to be, change initiatives	Future Department org design and implementation	Future integrated cross-agency engagement design and implementation	Project 2: Organisational Redesign Project
Technology Enablement	Technology solution scan and marketplace capability assessment	Future Department technology design and implementation	Future integrated cross-agency technology design and implementation	Project 3: Technology Services Project
Outcome	Future state, gap analysis, solution blueprint and roadmap	Department transformation design and implementation	Integrated cross-agency service transformation implementation	Investment objectives & outcomes achieved

1.2 Costs and Benefits

	NZD \$
Estimated Whole-of-life Cost (WOLC)	\$560,000,000
Expected Monetary Benefits	\$756,000,000
WOLC Duration	15 Years

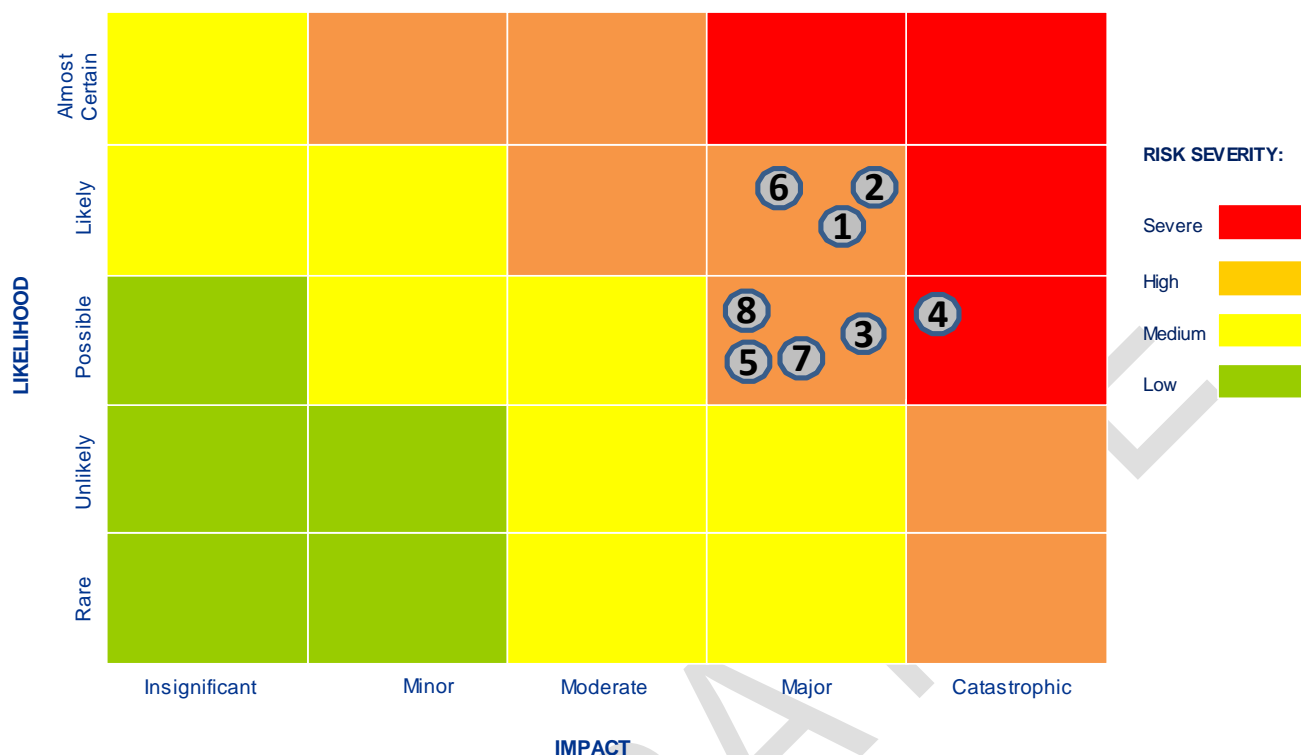
1.3 Risk Rating

Indicative Risk Rating from Risk Profile Assessment (RPA)	High
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The following high risks have been identified for the TSFM Programme as at 30 June 2014:

Risk Ref	High Risks	Description
1	Maintaining customer service standards	The quality, consistency and timeliness of services to the public will be adversely impacted as the Department becomes increasingly engaged in the TSFM Programme and its implementation. As a result, ministers and the public may lose confidence in the Department.
2	Lack of effective governance	Governance is ineffective and unresponsive to the needs of the TSFM Programme. Escalation paths, decision rights and accountabilities are not clear. As a result, the TSFM Programme may be delayed or key decisions may be made that compromise the investment objectives and strategic outcomes.
3	Stakeholders are not well informed	The TSFM Programme will be required to engage with and manage a broad and diverse set of internal and external stakeholders. If the key stakeholders are not identified and actively engaged the Department may not gain the buy-in required to successfully deliver the strategic outcomes.
4	Agency engagement	The transformational change is dependent on the participation of agencies that are engaged in their own transformation programmes with competing priorities. As a result, the TSFM Programme may be delayed or may not deliver an integrated cross-government transformed service to the public.
5	Marketplace capacity and capability	The marketplace cannot provide the number and types of resource required to deliver the TSFM Programme. As a result, the programme may be delayed or may not deliver the outputs required of it or they may be of lower quality and utility than is acceptable.
6	Culture change	The required service and customer focus culture change does not occur and staff behaviours work against achieving the required transformational change. As a result, the strategic outcomes may not be realised and ministers and the public may lose confidence in the Department.
7	Technology complexity	The enabling technology is highly complex; the software does not meet the requirements without a high level of customisation; integration with other agency and private sector provider systems is complex. As a result, the enabling technology may not operate as required or meet the expected functional, security and technical requirements.
8	Programme management methods and controls	The programme management methods and controls are not well developed or complete and the Department does not have the required level of programme management maturity. As a result, the TSFM Programme may not operate effectively.

The diagram below maps the likelihood and consequence of the risks occurring.



1.4 Referenced Documents

Document Name	Version No.
Strategic Assessment	FINAL V1.0
Investment Logic Map	FINAL V1.0
Programme Mandate	FINAL V1.0
Risk Profile Assessment	DRAFT V0.7
Programme Management Plan	DRAFT V0.3
Benefits Management Plan	DRAFT V0.4
Change Management Plan	DRAFT V0.4
Procurement Strategy	DRAFT V0.2
Dependencies Map	DRAFT V0.3
Solution Architecture	DRAFT V0.1
Technical Architecture	DRAFT V0.1

2. ASSURANCE PLAN OVERVIEW

2.1 Assurance Approach

The overarching objective of the TSFM Programme Assurance Plan is to provide the Senior Responsible Officer (SRO), TSFM Steering Committee, Chief Executive (CE), Executive Leadership Team (ELT) and other key stakeholders with the confidence that the TSFM Programme is well managed and that the expected strategic outcomes will be delivered.

The key focus of the assurance approach is on the strategic outcomes and benefits of the TSFM Programme. Each project within the TSFM Programme will be subject to assurance activities with specific oversight of key project deliverable risks. Each project will develop an Assurance Plan (using the Project Assurance Plan template) that considers the key risks and outputs of the particular projects.

Collectively, the Programme and Project Assurance Plans will give confidence over the successful delivery of strategic and operational outcomes.

The TSFM Programme will adopt an integrated assurance approach that references the Managing Successful Programmes (MSP) methodology and framework as follows:

- Focus on achievement of the strategic objectives, outcomes and benefits.
- Broad governance and oversight activities.
- Independent challenge and assurance with expertise in larger scale, business-led transformation programmes that have a significant ICT component.
- Links project based activities and outputs with programme outcomes.
- On-going alignment of the TSFM Programme and related project initiatives with the broader strategic outcomes and benefits.
- Ensures that system-wide lessons learned from similar ICT-enabled programmes are incorporated into all programme management deliverables.

2.2 Lessons Learned

We have reviewed Gateway Lessons Learned¹ and GCIO ICT Assurance Top 10 Lessons Learned from ICT-enabled projects and programmes² and identified the following learnings relevant for the TSFM Programme:

- Have the right mix of skills and experience at the governance level, including consideration of appropriately skilled people from other public sector agencies and external advisors. The TSFM Programme has established an external Advisory Panel at the governance level to provide independent advice and recommendations to the SRO and TSFM Steering Committee. Representatives have been carefully selected for their experience of similar ICT-enabled programmes.
- Ensure there is clarity with respect to the roles, responsibilities and accountabilities of the governance members and other governance bodies and advisory groups. All governance bodies have clear and signed off terms of reference. The governance structure will be reviewed as part of the Programme Readiness IQA and the effectiveness of governance bodies will be included in the scope of ongoing programme health checks.
- Ensure a stakeholder analysis is performed of both internal and external stakeholders. This should inform the engagement and communication plan, which should be regularly reviewed and communicated to key stakeholders. The stakeholder engagement plan will be reviewed as part of the Programme Readiness IQA and communications management will be included in the scope of ongoing programme health checks. In addition, the TSFM Independent Advisory Panel will be used to solicit feedback on stakeholder engagement strategies.

¹ <http://www.ssc.govt.nz/gateway-lessons-learned>

² <http://ict.govt.nz/ict-system-assurance/ict-assurance-frameworks/ict-projects-and-programmes-assurance-framework/guidance-and-templates>

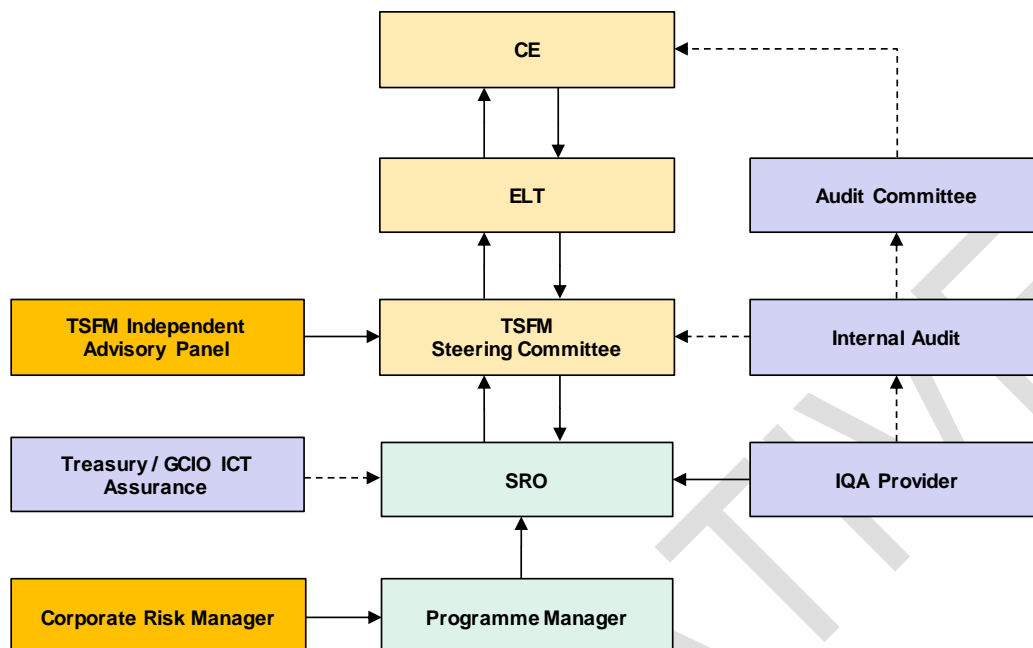
2.3 Key Programme Assurance Activities

The key assurance activities that will be performed over the TSFM Programme are summarised in the table below:

Assurance Activity	Purpose	Audience
Programme Risk Register Reviews (quarterly and prior to key decision points)	Review and update programme risks with all high rated risks to be reported to the TSFM Steering Committee, ELT and Audit Committee.	SRO, TSFM Steering Committee, ELT and Audit Committee
Programme Retrospectives (quarterly and prior to key decision points)	Identify lessons learned with the Programme team and incorporate into programme management practices.	SRO
Monthly TSFM Steering Committee Meetings	Review programme status and provide direction.	SRO and TSFM Steering Committee
Quarterly TSFM Independent Advisory Panel Meetings	Provide independent advice to challenge the Department's thinking and inform decision making at critical stages in the project.	SRO and TSFM Steering Committee
Quarterly Benefits Plan Reviews	Review of the Benefits Plan to ensure that benefits are on track to be delivered.	SRO and TSFM Steering Committee
Quarterly ELT Programme Status Reports	Review programme status (including benefits management) and provide direction.	CE / ELT
Quarterly Audit Committee Meetings	Monitor the TSFM Programme in the context of the Department's overall risk appetite and may request additional assurance activity.	Board
Internal Audit Reviews	Provide assurance as necessary depending on the risk profile of the TSFM Programme and related projects.	Audit Committee, SRO and TSFM Steering Committee
Independent Quality Assurance (IQA)	Provide ongoing independent assurance that the TSFM Programme is being managed in accordance with the Department's programme management standards. This includes detailed assurance reviews prior to specific decision points during the programme life cycle to provide confidence that that expected outcomes and benefits will be achieved.	SRO and TSFM Steering Committee
Gateway Reviews	Provide assurance that the programme can progress successfully to the next stage at specific decision points during the programme life cycle.	SRO

2.4 Assurance Roles and Responsibilities

The overall governance structure for the TSFM Programme is shown in the diagram below.



Assurance roles and responsibilities at the governance level are as follows:

Function	Assurance Role and Responsibility
CE	<p>Ultimately, the CE is accountable for the successful delivery of the TSFM Programme outcomes and benefits. The CE provides assurance oversight as follows:</p> <ul style="list-style-type: none"> The CE will endorse the assurance plan and will be briefed on any significant changes to the assurance plan. The CE will be provided with copies of all assurance reports as a matter of course. The SRO will brief the CE on the key findings and recommendations from Gateway reviews.
ELT	<p>The ELT provides strategic oversight over the TSFM Programme. The ELT provides assurance oversight as follows:</p> <ul style="list-style-type: none"> The ELT will receive a quarterly update on the status of the TSFM Programme, including an update on all high rated risks and the Benefits Plan. The ELT may request a deep dive to be performed to ensure that strategic outcomes and benefits are on track.
TSFM Steering Committee	<p>The TSFM Steering Committee is the primary governance body for the TSFM Programme. The TSM Steering Committee provides assurance oversight as follows:</p> <ul style="list-style-type: none"> Progress against the assurance plan will be presented to the TSFM Steering Committee on a quarterly basis. All assurance reports will be presented in full to the TSFM Steering Committee. The status of assurance recommendations will be reported to the TSFM Steering Committee on a monthly basis as part of regular status reporting.

Function	Assurance Role and Responsibility
SRO	<p>The SRO is responsible for:</p> <ul style="list-style-type: none"> Approving the assurance plan, including reviewing the assurance plan prior to a key decision gate and/or on a six monthly basis to ensure it remains appropriate. Escalating any assurance recommendations that cannot be resolved by the TSFM Steering Committee to the CE / ELT.
Programme Manager	<p>The Programme Manager is responsible for:</p> <ul style="list-style-type: none"> Development, maintenance and delivery of the assurance plan. Reporting on progress against the assurance plan to the TSFM Steering Committee on a bi-monthly basis.
TSFM Independent Advisory Panel	<p>The TSFM Independent Advisory Panel is made up of external representatives from across the sector. The role of the Panel is to provide independent advice to the SRO and TSFM Steering Committee to challenge the Department's thinking and to inform decision making at critical stages in the project. Representatives have been carefully selected for their experience of similar ICT-enabled programmes and/or best practice insights to ensure system-wide lessons learned are considered.</p>
Corporate Risk Manager	<p>The Corporate Risk Manager provides advice to the SRO on the management of programme risks and supports the Programme Manager to refresh the TSFM Programme risk register on a quarterly basis.</p>
Audit Committee	<p>The Audit Committee provides independent advice to the CE on the system of internal control. The Audit Committee has oversight of the TSFM Programme risk profile in the context of the overall risk profile of the Department. The Audit Committee will receive a quarterly update on the status of the TSFM Programme, including an update on all high rated risks.</p>
Internal Audit	<p>Internal Audit will endorse the assurance plan and provide independent assurance reporting on the TSFM Programme to the Audit Committee. Recommendations raised in internal / external independent assurance reports will be logged and tracked by Internal Audit until they are completed.</p>
IQA Provider	<p>The IQA Provider reports directly to the SRO and is responsible for providing assurance that the programme is on track to achieve strategic outcomes and is being managed in accordance with the Department's project management standards.</p>
Treasury / GCIO ICT Assurance	<ul style="list-style-type: none"> The Treasury leads central agency monitoring of the TSM Programme, including being a reviewer of the assurance plan and monitoring progress. The Treasury receives copies of all IQA reports. The GCIO ICT Assurance team is the lead assurance agency and is responsible for endorsing the assurance plan on behalf of the Corporate Centre. GCIO ICT Assurance will review and endorse the terms of reference for all IQA reviews and receive copies of all IQA reports.

2.5 Assurance Budget

	NZD \$
Estimated Assurance Budget	\$1,300,000

The cost of external assurance activities for the period covered by the assurance plan has been estimated and included in the TSFM Programme budget. This does not include the costs of external assurance activities for individual projects. These will be included in the relevant Project Assurance Plans. The budget does not include estimates for the costs associated with implementing recommendations from the assurance activities.

3. DETAILED ASSURANCE PLAN³

3.1 Critical Programme Milestones

Outlined below are the assurance activities that will be performed over the critical programme milestones:

Milestone	Indicative Due Date	Assurance Activity / Purpose	Assurance Provider	Status
1. Decision to proceed with Programme Start-Up (strategic risk)	March 2014	<u>Gateway 0 – Strategic Assessment (Early)</u> Review to confirm that there is a sufficient need for the TSFM Programme, the investment objectives and benefits are clearly articulated, and there is alignment to the strategic objectives of the Department.	Treasury Gateway	Complete
2. Decision to proceed to Programme Initiation (financial risk)	June 2014	<u>External Verification of Programme Financial Model</u> Provide assurance that the financial model for the TSFM Programme is robust and incorporates appropriate analysis of relevant risks factors.	Fin Modelling Partners	Complete
3. Decision to proceed to Programme Initiation (investment risk)	July 2014	<u>IQA – Programme Readiness</u> Provide assurance that the programme business case is robust, governance is appropriate, the cost and funding models are complete, and the stakeholder engagement and communication plan is appropriate.	IQA Pro	Not Started
4. Decision to proceed to Programme Delivery (commercial risk)	September 2014	<u>IQA – Programme Procurement Strategy</u> Provide assurance that the proposed commercial risks have been fully assessed and that the procurement strategy is reviewed from a probity perspective.	Commercial Consultants Ltd	Not Started
5. Decision to proceed to Programme Delivery (strategic risk)	November 2014	<u>Gateway 0 – Strategic Assessment</u> Provide assurance that the TSFM Programme remains aligned with the strategic objectives and outcomes.	Treasury Gateway	Not Started
6. Decision to proceed with Technology Enablement (strategic risk)	March 2015	<u>Gateway 0 – Strategic Assessment (Midway)</u> Provide assurance that the TSFM Programme remains aligned with the strategic objectives and outcomes. <u>Aligned with Gateway 2 – Delivery Strategy</u> for the Technology Enablement Project (within the TSFM Programme).	Treasury Gateway	Not Started

³ Each assurance activity is supported by a specific terms of reference. The terms of reference should be referred to for detailed information regarding the assurance activity.

Milestone	Indicative Due Date	Assurance Activity / Purpose	Assurance Provider	Status
7. Decision to Go-Live with Technology Enablement (strategic risk)	August 2016	<u>Gateway 0 – Strategic Assessment</u> Provide assurance that the TSFM Programme remains aligned with the strategic objectives and outcomes. <u>Aligned with Gateway 4 – Readiness for Service for the Technology Enablement Project (within the TSFM Programme).</u>	Treasury Gateway	Not Started
8. Three to Six Months after Programme Close (strategic risk)	March 2017	<u>IQA – Programme Post Implementation Review</u> Provide assurance that the TSFM Programme has delivered to the approved scope, funding approvals, will meet the agreed business needs, is aligned with the strategic outcomes and objectives and a risk management strategy in place to manage the residual TSFM Programme risks.	IQA Pro	Not Started
9. Six to Twelve Months after Programme Close (benefits risk)	September 2017	<u>IQA – Programme Benefits Realisation</u> Provide assurance that the TSFM Programme benefits have been realised or that the Benefits Realisation Plan describes how and when the remaining benefits will be delivered.	IQA Pro	Not Started
10. Six to Twelve Months after Programme Close (strategic risk)	November 2017	<u>Gateway 0 – Strategic Assessment</u> Provide assurance that the TSFM Programme has delivered the strategic objectives and outcomes	Treasury Gateway	Not Started

3.2 Ongoing Programme Assurance Activities

Outlined below are assurance and oversight activities that will occur at regular intervals over the programme risks:

Assurance Activity / Purpose	Key Risks	Assurance Provider	Frequency
<u>Programme Risk Register Reviews</u> Review and update programme risks with all high risks to be reported to the TSFM Steering Committee.	All programme risks	Corporate Risk Manager	Quarterly and prior to key decision points
<u>Programme Retrospectives</u> Identify lessons learned with the Programme Team and incorporate into programme management practices.	Programme management risks	Programme Manager	Quarterly and prior to key decision points
<u>TSFM Steering Committee</u> Review programme status and provide direction.	All high programme risks	SRO / TSFM Steering Committee	Monthly
<u>TSFM Independent Advisory Panel Meetings</u> Provide independent advice to challenge the Department's thinking and inform decision making at critical stages in the project.	All high programme risks	SRO / TSFM Steering Committee	Quarterly
<u>Quarterly Benefits Plan Reviews</u> Review of the Benefits Plan to ensure that benefits are on track to be delivered.	Benefits realisation risks	SRO / TSFM Steering Committee	Quarterly
<u>Audit Committee Meetings</u> Monitor the TSFM programme in the context of the Department's overall risk appetite.	All high programme risks	Internal Audit	Quarterly
<u>ELT TSFM Programme Status Report</u> Review programme status and provide direction.	All high programme risks	ELT	Quarterly
<u>Internal Audit Reviews</u> Provide assurance as necessary depending on the risk profile of the TSFM Programme and related projects.	All high programme risks	Internal Audit	Quarterly
<u>IQA – Programme Health Checks</u> Provide assurance over a range of programme management processes and controls, including communications and benefits management.	Programme management risks	IQA Pro	Quarterly

3.3 Critical Programme Dependencies

Outlined below are critical programme dependencies (external to the programme) and associated assurance activities:

Dependency	Key Date	Assurance Activity	Assurance Provider
The TSFM Programme is dependent on the other government Departments completing their programme of work to effect 'joined up' service delivery.	August 2016	Monitored by the TSFM Steering Committee	Internal
The TSFM Programme is dependent on the implementation of the technology solution as an enabler to the business transformation outcomes.	August 2016	Monitored by the TSFM Steering Committee	Internal

4. DECISION MAKING AUTHORITY

Outlined below is the decision making authority for all parties involved in the design and approval of the specific **terms of reference** for each type of assurance activity.

	Decision Making Authority
R	Recommend(s) the terms of reference for the assurance activity
A	Approve(s) ⁴ the terms of reference for the assurance activity
C	Consulted in reaching the terms of reference for the assurance activity
I	Informed of the terms of reference for the assurance activity

Assurance Activity	CE / ELT	SRO	TSFM Steering Committee	Programme Manager	Corporate Risk Manager	Internal Audit	Treasury	CGIO ICT Assurance	Other Central Agencies
Programme Risk Register Reviews	I	A	I	C	R	C	I	I	I
Programme Retrospectives	I	A	I	R	C	C	I	I	I
TSFM Steering Committee Meetings	I	R	A	C	C	C	I	I	I
TSFM Independent Advisory Panel Meetings	I	A	C	C	C	C	I	I	I
Benefits Plan Reviews	I	R	A	C	C	C	I	I	I
Audit Committee Meetings	I	R	C	C	C	A	I	I	I
ELT Project XYZ Status Reports	A	R	C	C	C	C	I	I	I
Internal Audit Reviews	I	C	C	C	C	A	I	I	I
IQA Reviews	I	A	C	C	C	C	C	A	C
Gateway Reviews	I	C	C	C	C	C	A	I	I

⁴ GCIO ICT Assurance will review and endorse the terms of reference for IQA reviews for high risk / high value programmes.