

## Purpose

The purpose of this document is to provide a standardised set of program tolerances to support portfolio reporting to each layer of governance in projects. This document details the requirements for escalation points, against the program's "overall health" metric to ensure the right information is made available to the relevant decision maker.

## Rating Criteria

### Overall Health Metric

Green	Amber	Red
The program is <b>delivering</b> to the agreed Program Plan and within all set tolerances.	The program is <b>At Risk</b> of diverging from the agreed Program Plan as is likely to deviate from the set tolerances.	The program <b>Will Not Deliver</b> in accordance with the agreed Program Plan and set tolerances will be or have been exceeded.
The majority (75% or more of projects within the program) have an overall health metric of green.	The majority (75% or more of projects within the program) have an overall health metrics of amber.  OR A project's deviation is likely to place the whole Program at risk of delivering expected benefits.	The majority (75% or more of projects within the program) have an overall health metrics of red.  OR A project's deviation will have a major impact on delivering the Program's expected benefits.

### Individual Metrics and Tolerances

	Green	Amber	Red
<b>Timescales (Time/Schedule)</b>	Indicates that the program is tracking to the agreed baseline, and delivery date.	Indicates that the program is At Risk of deviating no more than 8 weeks from the agreed baseline and/or agreed delivery date.	Indicates that the program has exceeded the agreed baseline and/or agreed delivery date by more than 8 weeks.
<b>Costs (Budget)</b>	Forecast total budget spend of the life of the program is within + 5%.	Forecast total budget spend is + 5% to 10%.	Forecast total budget spend is + 10%  OR

			<p>There is no funding allocated.</p> <p style="text-align: center;"><b>OR</b></p> <p>There is no identified budget management figure.</p>
<b>Scope</b>	<p>There are no scope elements that will jeopardise the delivery of the program benefits.</p>	<p>One or more scope elements are changing or uncertain and may have an impact on the program benefits.</p>	<p>One or more scope elements are changing or uncertain and will have a major impact on the program benefits.</p>
<b>Risk and Issues</b>	<p>Risk rating does not include any new risks.</p> <p style="text-align: center;"><b>AND</b></p> <p>No existing risks have a residual risk rating of extreme on the program risk register.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>Up to 15% of all project risks have a post treatment rating of High.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>There are open issues on the program issue register with agreed corrective action/s in place.</p> <p style="text-align: center;"><b>AND</b></p> <p>The corrective actions for the issue/s have been completed or are less than 4 weeks overdue.</p>	<p>Risks rated high on the risk register are being managed according to agreed mitigation strategies.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>There are open issues on the program issue register</p> <p style="text-align: center;"><b>AND</b></p> <p>there is no agreed corrective action in place, therefore the issue is uncontrolled</p> <p style="text-align: center;"><b>OR</b></p> <p>The corrective action is between 4-6 weeks overdue.</p>	<p>Risks rated extreme on the Program risk register.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>Risks rated high with no mitigation documented and agreed to by the appropriate governance mechanism.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>Greater than 15% of all project risks have a post treatment rating of High.</p> <p style="text-align: center;"><b>AND/OR</b></p> <p>There are open issues on the program issue register</p> <p style="text-align: center;"><b>AND</b></p> <p>There is no agreed corrective action in place, therefore the issue is uncontrolled.</p> <p style="text-align: center;"><b>OR</b></p> <p>The corrective action is more than 6 weeks overdue.</p>

<b>Quality</b>	Quality Criteria has been set.  <b>AND</b> Greater than 80% of the Quality Acceptance Criteria are on track to be met.	Quality Criteria have been set.  <b>AND</b> Between 60% to 80% of the Quality Acceptance Criteria are on track to be met.	Less than 60% of the Quality Acceptance Criteria is on track to be met.  <b>OR</b> Project Quality Criteria have not been set.
<b>Benefits</b>	Benefits have been measured at agreed intervals and are on track to be delivered.  <b>AND</b> Greater than 80% of the Benefits are achieving their targets.	Benefits have been measured at agreed intervals, however are not on track to being achieved.  <b>AND/OR</b> Between 60% to 80% of the Benefits are achieving their targets.	Ongoing benefit measurements indicate that the target benefit measurement cannot be realised.  <b>AND/OR</b> Less than 60% of the Benefits are achieving their targets.

## Escalation Criteria

The escalation criteria relates to the Overall Health Metric for the Program.

An escalation should occur if the Program:

- 1) Is reporting red for two or more consecutive reporting periods, or
- 2) Has an emerging issue that has an Issue Rating of Extreme.

Green	Amber	Red
Nil required. Monthly status reporting.	Escalate to Executive Sponsor and CIO. Monthly status reporting.	Escalate to Executive Sponsor and CIO. Monthly status reporting.