



Purpose

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

Rating Criteria

Overall Health Metric

Green	Amber	Red
The project is delivering to the agreed project initiation document (PID) and within all set tolerances.	The project is At Risk of diverging from the agreed project initiation document (PID) as is likely to deviate from the set tolerances.	The project Will Not Deliver in accordance with the agreed project initiation document (PID) and set tolerances will be or have been exceeded.
All project metrics are green.	There is at least 1 amber project metric.	There is at least 1 red project metric.

Individual Metrics and Tolerances

	Green	Amber	Red
Timescales (Time/Schedule)	Indicates that the project is tracking to the agreed baseline, and delivery date.	Indicates that the project is At Risk of deviating no more than 8 weeks or more from the agreed baseline and/or agreed delivery date.	Indicates that the project has exceeded the agreed baseline and/or agreed delivery date by more than 8 weeks.
Costs (Budget)	Forecast total budget spend of the life of the project is within + 5%.	Forecast total budget spend is + 5% to 10%.	Forecast total budget spend is + 10% OR There is no funding allocated. OR There is no identified budget management figure.
Scope	There are no scope elements that will	One or more scope elements are changing	One or more scope elements are changing

	jeopardise the delivery of the project benefits.	or uncertain and may have an impact on the project benefits.	or uncertain and will have a major impact on the project benefits.
Risk and Issues	<p>Risk rating does not include any new risks.</p> <p style="text-align: center;">AND</p> <p>No existing risks have a residual risk rating of extreme on the project risk register.</p> <p style="text-align: center;">AND/OR</p> <p>There are open issues on the project issue register with agreed corrective action/s in place.</p> <p style="text-align: center;">AND</p> <p>The corrective actions for the issue/s have been completed or are less than 4 weeks overdue.</p>	<p>Risks rated extreme on the risk register are being managed according to agreed mitigation strategies.</p> <p style="text-align: center;">AND/OR</p> <p>There are open issues on the project issue register</p> <p style="text-align: center;">AND</p> <p>there is no agreed corrective action in place, therefore the issue is uncontrolled</p> <p style="text-align: center;">OR</p> <p>The corrective action is between 4-6 weeks overdue.</p>	<p>Risks rated high or extreme on the risk register have no mitigation documented and agreed to by the appropriate governance mechanism.</p> <p style="text-align: center;">AND/OR</p> <p>There are open issues on the project issue register</p> <p style="text-align: center;">AND</p> <p>there is no agreed corrective action in place, therefore the issue is uncontrolled.</p> <p style="text-align: center;">OR</p> <p>The corrective action is more than 6 weeks overdue.</p>
Quality	<p>Quality Criteria has been set.</p> <p style="text-align: center;">AND</p> <p>Greater than 80% of the Quality Acceptance Criteria are on track to be met.</p>	<p>Quality Criteria have been set.</p> <p style="text-align: center;">AND</p> <p>Between 60% to 80% of the Quality Acceptance Criteria are on track to be met.</p>	<p>Less than 60% of the Quality Acceptance Criteria is on track to be met.</p> <p style="text-align: center;">OR</p> <p>Project Quality Criteria have not been set.</p>
Benefits	<p>Benefits have been measured at agreed intervals and are on track to be delivered.</p> <p style="text-align: center;">AND</p> <p>Greater than 80% of the Benefits are achieving their targets.</p>	<p>Benefits have been measured at agreed intervals, however are not on track to being achieved.</p> <p style="text-align: center;">AND/OR</p> <p>Between 60% to 80% of the Benefits are</p>	<p>Ongoing benefit measurements indicate that the target benefit measurement cannot be realised.</p> <p style="text-align: center;">AND/OR</p>

		achieving their targets.	Less than 60% of the Benefits are achieving their targets.
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Escalation Criteria

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

An escalation should occur if the project:

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

	Green	Amber	Red
Tier 1	Nil required. Monthly status reporting.	Escalate to Executive Sponsor and CIO. Monthly status reporting.	Escalate to Executive Sponsor and CIO. Monthly status reporting.
Tier 2	Nil required. Monthly status reporting.	Escalate to Senior Director, Executive Branch Manager, Executive Sponsor and CIO. Monthly status reporting.	Escalate to Senior Director, Executive Branch Manager, Executive Sponsor and CIO. Monthly status reporting.
Tier 3 & Tier 4	Nil required. Regular work notes maintained.	Escalate to Senior Director. Senior Director to brief Executive Sponsor, Executive Branch Manager and CIO. Monthly status reporting.	Escalate to Senior Director. Senior Director to brief Executive Sponsor, Executive Branch Manager and CIO. Monthly status reporting.