[INSERT AGENCY LOGO]

[INSERT AGENCY TITLE]

[INVESTMENT PROPOSAL TITLE]

BUsiness Case

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Abbreviations

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List of Appendices

The appendices are included in a separate volume from the Business Case.

**!**

This template should be used in conjunction with the Strategic Asset Management Framework (SAMF) Business Case Guidelines. The Business Case Guidelines provide more detail on the content requirements.

This template is intended to broadly reflect the SAMF requirements but may be tailored to reflect the asset type and complexity of the investment proposal.

Agencies are encouraged to engage with the Department of Treasury early in a proposal’s development to ensure that the agency’s approach to developing the business case will meet the SAMF Business Case Requirements.

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# EXECUTIVE SUMMARY

[Provide a summary of the proposed investment and recommended solution. This will include:

* the recommended solution and its financial implications;
* why it is required (what problem it is seeking to fix);
* implications if not done now;
* the primary benefits to Government of the proposal;
* key risks to delivery; and
* readiness to progress to the next stage of delivery.]

# PROJECT PURPOSE

## Introduction

[Provide a clear description of the initiative.]

## Proposal Background

[Describe the external context necessary to introduce the proposal and the problem(s) it is intended to address.]

## Project Context

[Describe the alignment of the proposal with government and/or corporate priorities and the agency’s Strategic Asset Plan.]

## Definition of Problem/Opportunity

[Define the problem(s) and opportunities that the proposal is intended to address. The problem is required to be substantiated by evidence, which may include:

* demand forecasts with assumptions;
* KPIs on current performance levels; and
* facts/examples of the problem.]

## Rationale for Intervention

[Define the ‘base case’ and describe the rationale for government intervention.

Justify why the State should intervene as opposed to a private sector/market/not-for-profit solution, Commonwealth or local government investment.]

## Timing Considerations

[Indicate the urgency of the problem(s) by explaining why it should be solved now rather than later.

State the implications of delaying a response to the problem.]

# INVESTMENT PROPOSAL

## Business Case Objectives

[Detail the objectives to be achieved for the proposal.]

## Benefits to be Delivered

[Explain the key benefits to Government that flow if the problem is solved. Also note any dis-benefits.]

## Stakeholders

[Map the key stakeholders, their interests and likely position in relation to the problem.

Identify any potential opportunities for collaboration.]

## Interdependencies

[Outline any key interdependencies critical to benefit delivery and strategies required for management.

Identify necessary and potential partnerships with other organisations to ensure successful outcomes/benefits realisation.]

# STRATEGIC OPTIONS IDENTIFICATION AND ANALYSIS

## Long List of Options

[State potential interventions – i.e. the broad action by the Government (base options, asset options, service options, etc.).

State how the potential interventions can be developed into options.

List all project options that are considered feasible at addressing the problem. Generally, these options should be detailed in the business case. However if a large number of options have been considered it may be appropriate to include their detail as an appendix.]

## Shortlisting of Options

[Evaluate the options to determine the shortlisted options, using an identified method and criteria. This generally involves a qualitative shortlisting process, but for some proposals a quantitative methodology may be more appropriate.

Justify the exclusion of any longlisted options in forming the shortlisted options.

Specify the method and criteria used to assess and rank a long list of potential strategic options, including assumptions.]

# SHORTLISTED OPTIONS EVALUATION

## Shortlisted Options Summary

[Describe the shortlisted project options, including each option’s:

* scope;
* cost;
* program and delivery schedule; and
* the risk of not delivering in line with the defined scope, costs and schedule.]

## Social and Environmental Impact Analysis

### Social Impacts

[Provide a high level overview of the social impacts of the proposal and identify any significant social issues or opportunities.

This may include undertaking a social impact assessment. If relevant, include potential state-wide and national impacts. This may include commentary on how these impacts may affect other agencies and services.]

### Environmental Impacts

[Provide a high level overview of the environmental impacts of the proposal and identify any significant social issues or opportunities.

This may include undertaking an environmental impact assessment. If relevant, include potential state-wide and national impacts. This may include commentary on how these impacts may affect other agencies and services.]

## Economic Analysis

[An economic analysis may not be required for very low value, low risk proposals.

**A qualitative assessment of the costs and benefits to the community is sufficient for most lower value, lower risk proposals.** In doing this, provide an assessment of the key benefits and costs of each shortlisted option for proposals that are of increased complexity or value. The analysis needs to be sufficiently detailed for decision makers to be confident of its results.

For a quantitative cost benefit analysis, include:

* the basis for costs and benefits for shortlisted options;
* an articulation of the methodology used for the economic analysis;
* quantified and monetised (wherever possible) costs and benefits; and
* a statement of all assumptions.]

## Financial Analysis

[Present the capital and recurrent cost estimates of each option. These estimates should be sufficiently robust for an investment decision maker to have confidence in understanding the impact on State finances.

Estimated capital costs should be provided with a brief description including:

* the basis for this estimate; and
* cost assumptions that were used.

Where the project will also have an operating impact, also provide estimates of the changes to ongoing operating costs and revenues.

Present the results of the analysis in a Discounted Cash Flow Analysis.

Document all assumptions, in an appendix. All assumptions should be defensible, with a clearly documented rationale.]

## Time Planning and Program Analysis

[Identify the indicative timeline with key milestones for delivery of each option and identify any staging requirements.]

## Risk Evaluation

[Identify option-specific key risk factors and likely impacts to allow differentiation.]

## Recommended Solution

[From the shortlisted response options present the recommended solution.]

# IMPLEMENTATION ANALYSIS

## Procurement Strategy

[Develop a high level procurement options analysis (POA) and nominate the anticipated procurement method for recommended solution.]

## Risk Management

[List the key risks to the successful implementation of the recommended solution and state how these risks are to be managed.]

## Governance Arrangements

[State the current governance arrangements in place for the proposal. Outline any proposed changes to governance arrangements that will be required to support project delivery if the proposal is approved by Government.]

## Stakeholder Engagement

[Map the key stakeholders and project dependencies, and their interests and likely position in relation to the recommended solution as the project planning matures.

Engagement with key stakeholders to date should be outlined. However, it is not expected that all stakeholders have been consulted at this time.]

## Project Timeline

[List the major deliverables for the recommended solution and associated delivery timeframe.]

## Benefits Management

[Provide a statement of investment benefits to show how well the recommended solution addresses the problem previously identified. Provide a detailed description of the specific KPIs that relate to the recommended solution.

Specify the impact of the proposal on the agency’s existing outputs and performance measures.]

## Next Steps

[State the key areas of uncertainty to be resolved.]

# RECOMMENDATION

[Present and justify the decision that the agency is seeking from Government.

Provide attestation that:

* the proposal is important and recommended for approval by Government;
* land is secured, presenting no encumbrances to starting work;
* scope for all aspects of high importance to the agency are specified (in an Appendix);
* cost and time have been estimated, including contingencies (for non-residential construction, **this must be validated by the Department of Finance**);
* major approvals are not required or have been obtained; and
* key stakeholders are aware and accepting of the proposal. Plans to manage impacts to stakeholders are ready for implementation.]

# APPENDICES

[Attach any appendices as a separate volume.]