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|  **STAGE 3:** Detailed Business Case Template **BUSINESS CASE DEVELOPMENT FRAMEWORK**Release 3.1 |

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| Release 3  |  |

How to use this template

The Queensland Government provides templates to assist stakeholders in developing robust business cases for infrastructure proposals.

This template, its companion guide and supporting supplementary guides include considerations, assessment criteria and checklists to develop a detailed business case aligned with the Business Case Development Framework. The contents of these documents are important to ensure the business case analysis supports a transparent and comparable investment proposal.

**NOTE: This template is offered as a guide only.** Applicable and suitable analysis should be fit-for-purpose considering the proposal complexity and risk, ensuring that rigorous and transparent processes are applied.

The following key content indicators have been included in call-out boxes to help you use this template.

|  |  |
| --- | --- |
|  | Target/expectation |
|  | Flag/important to note |

STage 3: Detailed Business Case

[Name of proposal]

**[Proposal owner]**

[Choose date]

Proposal summary

|  |  |
| --- | --- |
| Name of proposal |  |
| Location of proposal |  |
| Proposal owner |  |
| Document date |  |
| Proposal description |  |
| Program name |  |
| Program description |  |

Document control

|  |  |
| --- | --- |
| Prepared by |  |
| Role title |  |
| Organisation |  |
| Phone number |  |

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# Executive summary

The executive summary gives the reader a clear and concise overview of all pertinent aspects of the proposal. It should be self-contained, able to be read independently of the business case and provide the reader with a clear overview of the proposal and actions sought.

At a minimum the executive summary should include a coherent and structured discussion of the following:

* the service need and problem/opportunity being addressed including the scope of the reference project/s
* the outcomes and benefits sought
* key findings and conclusions of the supporting viability analysis i.e. strategic, socio-economic, environmental, financial, sustainability, risk, cost, funding, delivery and affordability
* recommendations for decision-makers.

An appraisal summary table assists with a consolidated presentation of business case information. An example is provided in Table 1.

Table 1: Appraisal summary table (AST)

|  | impact description | Summary of key impacts | Quantitative impacts | Qualitative short-term impacts | Qualitative medium-term impacts | Qualitative long-term impacts | Impact/ value |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Environmental** | Short description of the environmental impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Describe the environmental impact risks |
| **Economic** | Short description of the economic impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Net present value (NPV)Benefit cost ratio (BCR)Internal rate of return (IRR) |
| **Financial** | Short description of the financial impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | $xxm |
| **Social** | Short description of the social impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Describe the social impact risks |

## Recommendation/s for decision-makers

Areas within the Stage 3: Detailed Business Case requiring recommendations include:

* the viability of the proposal (socio-economic, environmental, financial, affordability and commercial) including, as appropriate, endorsement of the reference project or alternatives (see below)
* key activities/thresholds to be achieved prior to the investment proposal proceeding
* progression to procurement and approval of the implementation plan, where appropriate
* identification of significant issues or risks
* key timeframes, timing and governance arrangements.

Is the executive summary an appropriate length for government decision-makers?

Does the executive summary outline key aspects of the proposal?

Are all required decisions identified as well as any associated implications?

Is the executive summary easy to read and able to be read and understood by a range of audiences including policy-makers and other government agencies?

Is the executive summary a succinct, but complete, narrative of the proposal?

Section A:
Proposal context

1. Proposal background (A1)

This section provides a concise overview of the history and context of the proposal and may include succinct reviews of previous work (i.e. Stage 1: Strategic Assessment or Stage 2: Options Analysis).

* 1. Proposal context

This section should consider:

* the context and timing of when the service need/business need/opportunity was first identified, and the proposal selected for consideration
* the location of the investment proposal (include a map)
* the proposal history and context (political and strategic)
* the scope and depth of all relevant investigations and studies.
	1. History of the proposal

This section should consider:

* proposal background, including an outline of any relevant planning works or feasibility studies (previous and ongoing), noting their scope, depth and results
* a summary of prior decisions, including decisions from the Stage 1: Strategic Assessment and Stage 2: Options Analysis
* an overview of any completed independent assurance processes developed to support Stage 1: Strategic Assessment and/or Stage 2: Options Analysis (e.g. Gateway reviews).

Has the background to the proposal been outlined comprehensively?

Have any previous investigations/considerations been reviewed and documented?

Has the Stage 2: Options Analysis (outcomes, analysis and recommendations) been peer reviewed and a summary of findings included?

1. Governance and assurance (A2)

This section documents the governance and quality assurance arrangements for the development and approval of the Stage 3: Detailed Business Case.

## GOVERNANCE

* 1. Proposal owner

Identify the proposal owner including a project team structure. Outline roles within the team structure.

* 1. Overall approach to the business case

Insert a statement of the overall approach taken including approvals processes. Include a proposal development governance diagram.

* 1. Steering committee

Capture the project steering committee membership, including the terms of reference and the role of Queensalnd Government stakeholders.

* 1. Working group/s

Outline the proposal’s working group/s and its membership including the role of Queensland Government stakeholders.

* 1. Project team roles and responsibilities
* Department of State Development, Infrastructure, Local Government and Planning
* agency project team
* contractors.

Table 2: Example roles and responsibilities matrix

| Name | Role | Responsibilities  |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  |  |  |

## ASSURANCE

This section provides an overview of the assurance activities undertaken for the business case. It is designed to ensure that prior to finalising the proposal for Gate 2 Assurance Review, the business case is complete, reliable, comparable, transparent and clearly identifies ownership. The key assessments of the detailed business case (i.e. economic, financial and commercial assessments) should be independently reviewed.

* 1. Approach

Describe the approach used to develop the assurance and peer review process including any approvals.

* 1. Assurance activities

Describe the assurance activities undertaken.

**Assurance activities aim to improve the efficiency and effectiveness of a proposal and raise the quality of its analysis, outputs, conclusions and recommendations.**

#### Have you considered the following when completing this section?

* Engaged specialist reviewers for both the approach and content of the document
* Undertaken the following reviews:
	+ peer and technical review of the data, supporting assumptions and modelling analysis to ensure it is valid, reliable and accurate, and the analysis supports identification of the service need and expected benefits
	+ executive reviews for the proposal
	+ project health and governance reviews
	+ focused technical reviews (i.e. in response to an identified or perceived issue)
* Noted the use of Gate 2 Assurance Reviews for proposals.

1. Service need (A3)

This section should clearly articulate the service need (problems/opportunities). It should include robust contemporary evidence as to why it is necessary to address these problems or opportunities.

If a Stage 2: Options Analysis was completed using the Stage 2: Options Analysis Guide, the sections addressing problem identification and benefits sought should be reviewed, updated, reconfirmed and documented. This is critical if significant time has elapsed since the Stage 2: Options Analysis was prepared. Include a copy of the investment logic map, if prepared.

It is recommended a Stage 2: Options Analysis be undertaken using the guide, if not already done, and the results presented in this section.

* 1. Service need

Document the service need, outlining the reason and supporting analysis behind the proposal and the range of options considered in responding to the problems/opportunities.

**Have you clearly articulated problems/opportunities for decision-makers to consider?**

* When describing the service need, consider the cause, who/what (i.e. stakeholders) is affected and how they are affected.
* Include evidence of the cause and impact of the problems/opportunities to support the identification of the service need. Evidence should be robust and current. It should be documented in this section of the business case.
* Describe the timing of the occurrence of the problems/opportunities. Are they immediate, interim, on-going or escalating?
* When introducing problems/opportunities, consider the context and background necessary to set the scene for the business case investment decision.
* Provide a description of what could reasonably be expected to occur if the proposal does not go ahead.

* 1. Stakeholders and stakeholder engagement

Outline the stakeholder engagement approach with key stakeholders. A stakeholder engagement plan should be attached as an Appendix.

**Have all impacted stakeholders been identified?**

**Will external stakeholders be consulted/engaged during the development of the proposal? If so, has a stakeholder and communication plan been developed?**

* Provide an outline of the key elements of the stakeholder engagement process.
* Where the proposal includes significant interest and involvement with specific stakeholder groups, include details on how they have been, and will continue to be, engaged.
* Identify the key stakeholders and their likely position on the proposal i.e. why/how they are interested in the proposal and the extent of their interest or influence.

* 1. Current state

The current state provides decision-makers with details of the service need, its context and characteristics.

**Are the impacts on stakeholders explained in enough detail to allow decision-makers to make an informed investment decision?**

**Have you considered the following when articulating the current state: effectiveness of service delivery, regulatory requirements, the extent of the problem, service failure and/or efficiency levels?**

* Detail the timing and extent of the problem/opportunities.
* Where appropriate, outline the rationale for the service need to be addressed by the government as part of the current budget.
* Detail the implications of delaying a response i.e. capacity limits will be reached, failure to meet government or legislative requirements, significant reduction in the level of service etc.
* Briefly describe connections to long-term planning documents, policy commitments or election commitments.

* 1. Benefits sought

Document the intended outcomes of the proposal and the benefits targeted/sought. The benefits register should be updated as emerging benefits are analysed.

Have you explained the key benefits if the problem is solved or the opportunity realised?

Have you documented the beneficiaries?

Have you considered inter-dependencies between benefits?

Where appropriate, have you identified, documented and considered the impact of dis-benefits?

* Use the ‘SMART’ criteria to confirm that benefits are specific, measurable, attainable, relevant and time-bound.
* Outline all assumptions that have informed the benefits identification process.
* Benefits can be drawn from the investment logic mapping (ILM) process.
* Describe quantitative and qualitative benefits.
* Benefits should be considered in a broad context and include economic, financial, social and environmental benefits.
* Where appropriate, clearly demonstrate how the benefits sought align with government objectives/commitments. This can include outlining the magnitude and timing of benefits.

* 1. Options analysis

This section describes how you selected the reference project from the available options.

Provide information on your approach to options analysis, both for the options filtering and for identifying the preferred option/s from the Stage 2: Options Analysis.

Summarise the options considered in the Stage 2: Options Analysis. Include details of:

* all options considered in the Stage 2: Options Analysis describing their impacts (both positive and negative) and likelihood of responding to the service need and achieving the benefits sought
* any changes to the options and the justification for the changes
* additional options or comments about discarded options
* the results of the reassessment of options.

Document any assumptions underpinning the assessment of the shortlisted options including the cost benefit analysis (CBA), social impact evaluation (SIE) and financial analysis that contributed to the result. A copy of the options analysis summary table (refer Table 3 below) could be included here.

Table 3: Example options analysis summary

| OPTION ASSESSMENT | Option 1 | OPTION 2 | Option 3 |
| --- | --- | --- | --- |
| Strategic appraisal  |
| Alignment to objectives (state, community, agency)  | Low | Medium | Medium |
| Effectiveness in addressng the service need and achieving the benefits sought  | Low | Low | Medium |
| Alignment with State Infrastructure Strategy options assessment—reform, better use, improve existing, new | Medium | Low | High |
| Social, environmental and sustainability appraisal  |
| Social impacts | Positive (low) | Positive (low) | Positive (medium) |
| Environmental impacts | Negative (low) | Negative (low) | Positive (low) |
| Sustainability impacts | Low | Low | Low |
| Economic appraisal  |
| Benefit cost ratio | 0.9 | 1.1 | 1.2 |
| Net present value (NPV) | -$xxm | $xxm | $xxm |
| Financial and affordability appraisal |
| Risk | Medium | High | Medium |
| Financial NPV  | $xxm | $xxm | $xxm |
| Deliverability appraisal |  |  |  |
| Risk | Medium | High | Medium |
| Financial NPV  | $xxm | $xxm | $xxm |
| Potential for Public Private Partnership (PPP) delivery | Low | Low | Medium |
| **Outcome** |  |  |  |
| Ranking | 3 | 2 | 1 |

Is it easy to understand what options were considered and why they were progressed/not progressed?

Is there a sufficiently detailed description of each option?

Has the shortlisting approach been fully documented and transparent?

Have any changes which may affect the selection of preferred option/s been documented?

Is the premise upon which the preferred option/s was selected still valid?

Are the following clearly outlined?

* Whether any initiatives or options identified in the Stage 2: Options Analysis need to be deleted, modified or amended
* The full range of impacts both positive and negative
* The potential to address the service need and achieve the benefits sought
* The impact of any time lag or delay between project phases
* The need to repeat the options analysis assessment performed in the Stage 2: Options Analysis to select preferred option/s (reference project/s in a Stage 3: Detailed Business Case).

Does the reassessment of the Stage 2: Options Analysis reconfirm the preferred option/s? If not, has the reassessment approach and methodology been documented?

* 1. Recommended option/s (reference project/s)

Summarise the reason for selecting the preferred option/s and the criteria for success.

Provide a succinct overview of why the reference project is the preferred solution. Further analysis is considered at the detailed business case stage.

Have you presented the recommended option/s, including a summary of the rationale behind its recommendation and outlining how it will address the service need and deliver the benefits sought?

If this assessment reveals a significantly different reference project/s or does not reconfirm the service need, have you reconsidered progressing the Stage 3: Detailed Business Case and/or sought endorsement before proceeding?

If the business case is to be considered for further assessment by Infrastructure Australia, ensure two proposal options are considered in Stage 3: Detailed Business Case.

1. Strategic considerations (A4)

This section documents the reference project/s potential to impact/align with relevant government programs, policies and initiatives.

* 1. Strategic alignment

Document how the reference project/s will fit with, contribute to or align with:

* the strategic objectives of the agency and government
* relevant national objectives and programs (where appropriate)
* the fiscal environment and industry context.
	1. Policy issues

Outline the assessment of policy considerations including policy limitations and impacts. Identify impacts and limitations as either an advantage or a disadvantage.

Have you documented alignment with all relevant government programs and initiatives, and discussed the impact of alignment/misalignment for the proposal?

Have you considered if the impacts or limitations are reflected in the environmental assessment, the social impact evaluation, the risk assessment and, if required, the proposal cost estimates?

Where the result of the strategic considerations assessment impact negatively, have you considered adjusting the reference project/s?


# Health check A

| # | Have you completed the following tasks? | Section | Completed |
| --- | --- | --- | --- |
| 1 | Provided a succinct proposal background, including relevant history, to set the scene for the business case | A1 |[ ]
| 2 | Documented an accurate representation of the proposed governance and quality assurance structure for the business case analysis | A2 |[ ]
| 3 | Outlined the proposal’s current state enabling decision-makers to understand the basis for the service need | A3 |[ ]
| 4 | Documented the service need, the reason and supporting analysis behind the need for the proposal, and the range of options considered in responding to the problem/opportunity | A3 |[ ]
| 5 | Documented the proposal’s alignment with strategic objectives and contemporary policy developments, legislation, regulation and standards | A4 |[ ]

Section B:
Considerations and analysis

1. Risk (B1)

This section summarises the risk-management approach used to assess the reference project/s. The risk register should be simultaneously updated in line with the development of the detailed business case and attached as an appendix.

* 1. Overall approach to risk

This section should clearly document the approach used to develop a robust risk analysis incorporating key stakeholder inputs across all aspects of risk (e.g. social, legal, regulatory, technical, financial and economic).

* 1. Risk framework

Refer to the proposal owner’s risk-management policy and relevant Australian standards.

* 1. Outcomes

In general, the risk analysis should clearly document the following key elements:

* description (accurately define the risk)
* impact risk assessment (likelihood, consequence, materiality and risk rating)
* mitigation and controls (including assessing adequacy of controls)
* residual risk rating (post mitigation).

Risk can be negative and positive (positive risk assessment considers protecting/enhancing risk especially in the social impact evaluation).

Have you appropriately documented the risk approach as well as an approved criteria and risk matrix?

Have you developed a risk register for this proposal?

Have you identified all risks for the proposal including (but not limited to) process risks, portfolio/program/project risks, methodological risks and development risks?

1. Base case (B2)

This section outlines the base case that will form the benchmark against which the reference project/s will be assessed.

The underlying principle for any base case consideration should comprise a realistic, practicable or workable assessment of the business-as-usual (BAU) state of the world. The base case should:

* be tightly specified and modelled on a whole-of-life, whole-of-system, whole-of-state basis
* consider how to maintain specified service levels provided by existing infrastructure
* account for any actions required in the future to ensure service levels are reasonably maintained including full life cycle costs.
	1. Approach

Describe how the base case was defined and developed.

The base case should be well developed and articulated at the Stage 1: Strategic Assessment and Stage 2: Options Analysis stages. It should include BAU impacts.

Have you considered if the base case is reasonable, clearly defined and aligns with complementary guidance documents (i.e. in the Stage 3: Detailed Business Case Guide and, where applicable, Infrastructure Australia)? Provide detailed information.

* 1. Base case

The base case should align to contemporary developments e.g. environmental or operating changes (legal, regulatory or policy). It should also be refined to fully reflect expectations including projected demand profiles.

Significant inputs for articulating the base case will originate from the service need assessment (nature and composition of demand), benefits analysis and prior stage development (Stage 1: Strategic Assessment and Stage 2: Options Analysis).

Elements of the base case include:

* full life cycle benefits and costs including any actions required in the future to ensure the asset can operate at the relevant service levels
* consistency with most of the key assumptions (e.g. evaluation period, population and other forecasts) in the proposed investment
* costs and dis-benefits of the problem should be monetised for the cost benefit analysis (CBA) and the financial and commercial analysis.
	1. Outcomes

A well-articulated base case:

* provides decision-makers with information on status quo operations in the absence of the proposed investment, program modification or policy change, including costs and impacts
* documents how the base case has been developed and further defined from earlier stage analysis (Stage 1: Strategic Assessment and Stage 2: Options Analysis)
* provides a full description of the expected performance of the existing asset, program or policy setting
* considers whole-of-system, whole-of-life and whole-of-state elements
* is inclusive of current operational practice and other related assets e.g. the operation of multiple dam assets in tandem operating regimes
* highlights the ongoing impacts that would be reasonably expected or forecast
* describes the implications of not undertaking any additional change to the existing asset, program or policy setting
* provides a basis for comparison with the additional performance or changes highlighted by the investment profile set out in the reference project/s.

1. Reference project/s (B3)

This section provides a comprehensive overview of the reference project/s. It provides detailed information on the reference design for the proposal/s and provides a key point of comparison against the base case.

* 1. Approach

Describe the approach used to define the reference project/s clearly outlining details of:

* what the reference project/s will accomplish i.e. objective/s
* what the project will and will not include i.e. scope
* the expected results i.e. outcomes
* the key parties i.e. stakeholders
* the recommendation, clearly stating why this option will enable the Queensland Government to deliver the greatest benefit to the community.
	1. Objectives, outcomes and benefits

Include a summary of the proposal objectives, outcomes and expected benefits. Explain how the reference project/s will address the service need.

Document how the reference project/s aligns with local, regional, state and federal planning or may be of national significance.

* 1. Scope

Include a summary of the proposal including key technical features (e.g. design/geotechnical), functionality, operations, services, inclusions and exclusions.

* 1. Activities

Include an outline of the proposed project program (including scheduled critical path, early work, commissioning and overall project duration).

* 1. Reference design

Describe the reference design including:

* assumptions underpinning the design (also involving operational and implementation arrangements)
* any limitations and constraints
* specification of the level of design used for the cost, risk, financial and commercial analyses (as a percentage or class).

Have you considered any changes to the general environment underpinning demand data or to the implementation of programs/initiatives since the Stage 2: Options Analysis was finalised?

Have you documented the options objectives, scope, outcomes and expected benefits of the reference project/s in this section?

Have you presented the recommended option/s, summarising the rationale behind the approach and outlining how it will address the service need and deliver the benefits sought?

If the Stage 3: Detailed Business Case assessment reveals a significantly different reference project/s or does not reconfirm the service need, have you reconsidered progressing the Stage 3: Detailed Business Case and/or sought endorsement before proceeding?

1. Legal and regulatory considerations (B4)

This section documents the legislative, regulatory and legal considerations, and captures their potential impact on the reference project/s design including contractual and funding arrangements.

* 1. Legislative issues

Document any specific legislative requirements or issues (both existing and foreshadowed) relevant to the reference project/s or its ongoing operation that may prevent, impede or have a significant impact.

* 1. Regulatory issues

Document any regulatory considerations that may prevent, impede or have a significant impact on the reference project/s.

* 1. Approvals

Document any approval processes that may impact the delivery of the reference project/s, noting any timing considerations or potential impediments.

Include an approvals matrix (example below) to summarise permits, approvals or licences that may be triggered as the proposal progresses. Include a description, timing and the responsible authority for each approval.

Table 4: Example approvals matrix

| APPROVALS MATRIX |
| --- |
| Approval | Type | Description | Timing | Responsible authority |
| Approval 1 | Permit |  |  |  |
| Approval 2 | Licence |  |  |  |
| Approval … |  |  |  |  |

As legislation and policy requirements may be revised after completion of the detailed business case, the actual suite of approvals, permits and licences shown in the approvals matrix will require further revision as the proposal progresses.

* 1. Other legal matters

Identify any other legal matters across the full spectrum of proposal delivery including e.g. contractual arrangements with a third party or third-party requirements that may influence the reference project/s.

Have you documented all relevant policies, standards, legislations and regulations applicable to the reference project/s?

Have you considered whether new legislation is needed or proposed, or a regulatory impact statement (RIS) is required? The RIS should be included as an appendix to the Stage 3: Detailed Business Case.

Have you reflected the impact of the legal and regulatory assessment in the environmental assessment, the social impact evaluation, the risk assessment and, if required, the project cost estimate(s)?

Have you considered adjusting the reference project/s if the results of legal and regulatory assessment impact negatively on the benefits sought or create dis-benefits that cannot be effectively managed?

1. Public interest consideration (B5)

An assessment of public interest considerations provides evidence that the reference project/s will provide (perceived or real) equitable outcomes for all stakeholders.

* 1. Approach

Describe how the public interest assessment was undertaken.

* 1. Community consultation/stakeholder engagement

Document any community consultation and stakeholder engagement activities undertaken to identify public interest matters.

* 1. Impact on stakeholders

Document the reference project/s potential impact on stakeholders including individuals and communities. Detail property impacts, environmental concerns and access or use changes.

* 1. Public access and equity

Document how the reference project/s ensures that all groups within society can effectively realise the expected benefits of the investment. Include a list of any disadvantaged groups who will use the infrastructure or service and how they will use it.

* 1. Social licence status

Document the reference project/s social licence status i.e. disapproval, tolerance, endorsement or advocacy from the community.

* 1. Consumer rights

Document any potential consumer rights impacts identified for the reference project/s. Outline where the reference project/s does or does not provide sufficient safeguards particularly for those to whom government has a higher duty of care.

* 1. Safety and security

Document any potential security and community safety issues.

* 1. Privacy

Document any potential privacy issues to provide assurance that users’ rights to privacy are protected.

#### Have you documented the stakeholder engagement approach and the potential impact of the reference project/s on parties in this section?

* Are the impacts of public interest considerations reflected in the deliverability assessment, the environmental assessment, the social impact evaluation, and the project cost and risk assessments?
* Has the reference project/s been adjusted based on the results of the public interest considerations review?

1. Sustainability assessment (B6)

The sustainability assessment evaluates whether the design, construction and operating models have been optimised to improve long-term governance, environmental, social and economic outcomes.

* 1. Approach

Describe how the sustainability assessment was undertaken.

* 1. Sustainability assessment results

Document the results of undertaking the following sustainability assessment in Table 5: Sustainability assessment (applicable to all infrastructure) and Table 6: Sustainability assessment (building specific) for buildings.

Table 5: Sustainability assessment (applicable to all infrastructure)

| SUSTAINABILITY ASSESSMENT  |
| --- |
| Demonstrate how the project fulfils the following sustainability principlesSuccinctly outline the major initiatives or elements of the approach that will achieve each principle, plus the most significant outcomes or benefits. Include specific, quantitative information where available.Information should be succinct (dot points encouraged) and no more than half a page per principle. | Achievement level:(indicate level achieved)Advanced, moderate, basic, compliant or poor |
| GOVERNANCE |
| 1. **Context**

All infrastructure projects sit within a broader context and should be planned, designed and operated to connect with the wider system, including other infrastructure, economic activity, landscapes, population hubs and movements, flows of resources, materials, goods and people. This could occur at neighborhood, town, city, region or state levels. |  |
| * What is the service need being addressed by this project? Have social, environmental and economic issues been considered?
 |  |
| * How will the project solve the identified service need and in what timeframe? How does it align with departmental and/or state goals and objectives?
 |  |
| * What are the key elements, inter-relationships and interdependencies of the wider system or network for this project that are fundamental to its long-term effectiveness?
 |  |
| * How will the project integrate with, or respond to, these elements?
 |  |
| * Has a strategic merit test been conducted to demonstrate the project objectives align with the strategic priorities set out in the relevant infrastructure and land use plans?
 |  |
| 1. **Leadership and management**

The leadership team is responsible for implementing, measuring and reporting on the sustainability performance as well as creating a culture of innovation and knowledge sharing. |  |
| * How will this project engage a committed leadership team to embed sustainability into the planning, design, building and operation of this infrastructure project?
 |  |
| * Has a materiality assessment been undertaken with internal stakeholders to identify the relevant sustainability topics? Have you included assessment of direct and indirect governance, economic, environmental and social risks, and opportunities? Describe your methodology and any standards referenced.
 |  |
| * How will a culture of innovation be created across the project life cycle and include both proponent and contractor?
 |  |
| * How will knowledge and lessons be shared with the project team, other projects and the supply chain? How will lessons learnt from previous projects be incorporated?
 |  |
| 1. **Sustainable procurement**

Responsible procurement activities consider human rights, society and the environment. They create positive social outcomes through procurement spend and processes. |  |
| * How will sustainable procurement, including human rights, society and the environment, be incorporated into the project? For example, will social and environmental procurement targets be set? How will social and environmental criteria be incorporated into tender evaluation?
 |  |
| * How will this project use procurement spend to create socially and environmentally beneficial outcomes e.g. the procurement of environmentally friendly products and services?
 |  |
| * Prior to going to market, how will strategies or action plans for managing material sustainability risks and/or opportunities of specific goods and/or services to be procured be agreed upon, in collaboration with key internal stakeholders?
 |  |
| * How will the supply chain be prepared for the sustainability and innovation requirements of this project?
 |  |
| * How will contract management and supplier reporting practices ensure sustainability is delivered?
 |  |
| 1. **Resilience**

Design your infrastructure as the solution to the identified service need, taking into consideration the strategic goals and objectives. Focus on long-term use and outcomes so that the infrastructure leaves a positive legacy. Consider adaptability to respond to future changes, challenges and trends. |  |
| * How will the project respond to the most significant drivers of change over the next two decades (i.e. those with the most probable and greatest impact) including technological, demographic, political, environmental and economic trends?
 |  |
| * What futures modelling has been undertaken and applied to the strategic planning of the asset? Have scenarios for alternative futures been considered? What methodologies or standards were applied in developing these scenarios?
 |  |
| * Has a review of climate and natural hazard risks been completed using readily available and current data and climate change projections for all direct risks to the asset? Provide details of government datasets leveraged e.g. long paddock.
 |  |
| * Has a multidisciplinary internal team identified and assessed climate and natural hazard direct risks, and selected treatment options? This could include a range of acute shocks and chronic stresses likely to impact the functionality of the identified asset and its delivery to the community it services.
 |  |
| * Have the key interdependent physical assets and services within the city/town/community likely to be impacted been identified, should the project asset lose functionality or be forced to operate at minimal capacity? E.g. impacts on vulnerable communities.
 |  |
| * How has the project asset considered these interdependencies to futureproof the asset, the network functionality and community resilience?
 |  |
| 1. **Innovation**

Contribution of the proposal to product innovation, process innovation, marketing innovation or organisational innovation.  |  |
| * How will the project lead in innovative technology or process, or contribute to broader market transformation towards sustainable development?
 |  |
| ENVIRONMENT |
| 1. **Energy and carbon**

Materials used on the project have a low life cycle impact and low toxicity. The proposal incorporates climate change mitigation by identifying infrastructure solutions that reduce global carbon emissions.  |  |
| * How will this project assess the materials used in terms of their environmental life cycle impact and toxicity?
 |  |
| * How will this proposal address climate change mitigations? What initiatives have been included to reduce the greenhouse gas emissions footprint for whole of life?
 |  |
|

|  |
| --- |
| *Scope 2 emissions accounts for GHG emissions from the generation of purchased electricity consumed by the project.* *Scope 3 emissions are all other indirect emissions that are a consequence of the activities of the project but occur from sources not owned or controlled by the project.* |

  |  |
| 1. **Green infrastructure**

Traditional infrastructure is replaced with natural processes to do the same job. The term ‘green infrastructure’ refers to an interconnected network of landscape assets that is intertwined with engineered (grey) infrastructure and buildings (all the natural, semi-natural and artificial networks of multifunctional ecological systems within, around and between urban areas, at all spatial scales). |  |
| * Describe the opportunities to replace traditional infrastructure (grey) with green infrastructure.
 |  |
| * Has a green infrastructure plan, including targets and associated strategies, been developed for the project?
 |  |
| * Has a member(s) of the management team been assigned responsibility for incorporating green infrastructure elements into design?
 |  |
| * How will ongoing maintenance and management of green infrastructure during construction and operation be addressed?
 |  |
| 1. **Environmental impacts**

Manage adverse impacts of the project on the environment (noise, vibration, air quality, light pollution, or local habitat).  |  |
| * Will this project be located on previously disturbed land? How will the impacts to habitat be limited?
 |  |
| * Is the project compatible with the existing and future land use of the surrounding areas?
 |  |
| * How have environmental impacts been baselined, goals identified and measures determined to mitigate impacts during construction and operations?
 |  |
| 1. **Resources**

Use resources efficiently and responsibly. Reduce waste generated and increase re-use in construction and operation. |  |
| * Has a resource efficiency workshop been held to define the strategy and performance expectations for the project?
 |  |
| * How will this project manage waste and resource recovery? What are the waste management objectives and targets for the project?
 |  |
| * What waste management and resource recovery initiatives are being implemented on this project?
 |  |
| * How has the project considered end-of-life decommissioning to maximise resource re-use and recovery?
 |  |
| 1. **Water**

Manage water consumption and discharge according to local conditions now and in the future. |  |
| * Will this project use large amounts of water in construction and operation?
 |  |
| * Is this project located in an area of water scarcity? If not, how will water scarcity in the future affect its construction and operation?
 |  |
| * Will this project discharge water into sensitive environments during construction and/or operation?
 |  |
| * Where the project discharges or uses water in sensitive environments, what are the operational water quality objectives for the asset? What initiatives have been incorporated into the project and asset to achieve water quality objectives during construction and/or operation?
 |  |
| 1. **Ecology**

The local and regional habitat and ecology will be enhanced. |  |
| * Has a preliminary ecological assessment (PEA) incorporating a desktop review been carried out by a suitably qualified professional for the infrastructure site (involving a site visit and incorporating an element of ground-truthing)?
 |  |
| * How will this project improve ecology within the local region? E.g. what planning, design strategies and components have been incorporated into the project?
 |  |
| * Will this project have residual impacts on critical natural capital (irreplaceable natural features, species, habitats, etc.) that cannot feasibly be avoided, mitigated or offset?
 |  |
| SOCIAL |
| 1. **Stakeholder engagement**

Understand and incorporate community and stakeholder views, including marginalised and affected groups, to increase social licence to operate. |  |
| * Has a stakeholder engagement strategy been developed which incorporates lessons learned? Is it informed by the local context and social risk assessment?
 |  |
| * Has the strategy been integrated into the project?
 |  |
| * How will marginalised and affected groups be included in the engagement?
 |  |
| * How will community and stakeholder views be considered and incorporated into the decision-making processes throughout the project?
 |  |
| 1. **Legacy**

Does the proposal have a strong positive social return on investment? |  |
| * What will be the social return of this proposal? Describe how this proposal will benefit society (both locally and regionally) over the design life of the asset e.g. reduced travel times, increased wellbeing, improved air quality, increased social cohesion.
 |  |
| * What is the legacy left behind beyond the project itself e.g. a bike path connecting to others, enhanced community space, restoration of a heritage area etc?
 |  |
| * Have initiatives to positively contribute to the environment or society for one priority issue or opportunity been implemented?
 |  |
| * Who may be disadvantaged or made vulnerable through this project? How is this being addressed?
 |  |
| 1. **Heritage**

Protect Indigenous and non-Indigenous heritage and sites highly valued by the community. |  |
| * Has a broad assessment of heritage value been undertaken?
 |  |
| * How will this project affect heritage sites or areas highly valued by the community?
 |  |
| * How will opportunities to enhance heritage or mitigate adverse impacts be managed?
 |  |
| 1. **Workforce sustainability**

Support and improve the lives of all employees including subcontractors of the infrastructure project. |  |
| * Has a skills analysis been undertaken detailing relevant workforce capacity and capability requirements across all parts of the project life cycle?
 |  |
| * What actions are proposed to respond to identified skills gaps?
 |  |
| * How will this project support and improve employee outcomes especially for marginalised and disadvantaged groups?
 |  |
| ECONOMIC |
| 1. **Options analysis and detailed business case**

Make decisions based on the whole-of-life impacts and benefits of a project to the entity, the region and the state, including how the benefits and costs of infrastructure development are addressed in a fair and equitable way. Put a value on material externalities and incorporate them into the decision-making process. |  |
| * Has a full range of options been considered including non-infrastructure solutions? E.g. were a range of strategic options developed and assessed to determine which is preferred, including at least one option to promote behavioural change or the use of existing assets?
 |  |
| * Were strategic and subsequent project options evaluated by considering environmental, social and economic aspects through the use of a formal assessment technique?
 |  |
| * Were whole-of-life costings adequately incorporated into financial and economic analyses for project options?
 |  |
| * Has a weighted representation of the sustainability risks and opportunities of the preferred option been provided?
 |  |
| * How will the whole-of-life impacts and benefits be incorporated into the project’s ongoing decision-making processes?
 |  |
| * What are the material externalities of this project (calculated over the whole of life of the asset)? How will they be valued (including monetised and non-monetised values) in the decision-making process?
 |  |
| * Has there been consideration and evaluation of cost avoided as well as capital costs incurred?
 |  |
| * Have sustainability strategies and initiatives been incorporated into the detailed business case estimate including third-party fees where applicable?
 |  |
| 1. **Benefits realisation**

Manage and realise benefits throughout construction and operations. |  |
| * Has a benefits management plan including clear planning for high-level measurement of benefits been developed?
 |  |
| * How are the benefits shared and has equity for stakeholders been considered?
 |  |
| * Has sustainability been considered in the benefits realisation methodology including defining a future base case against which to measure these benefits? Has a baseline of business as usual (BAU) performance been established?
 |  |
| * How will sustainability outcomes be quantified, monitored and evaluated throughout the project phases and lifetime of the asset?
 |  |

* + 1. Sustainability Assessment Template—Buildings

Table 6: Sustainability assessment (building specific)

| SUSTAINABILITY ASSESSMENT  |
| --- |
| Demonstrate how the project fulfils the following sustainability principlesSuccinctly outline the major initiatives or elements of the approach that will achieve each principle, plus the most significant outcomes or benefits. Include specific, quantitative information where available.Information should be succinct (dot points encouraged) and no more than half a page per principle. | Achievement level:(indicate level achieved)Advanced, moderate, basic, compliant or poor |
| GOVERNANCE PROJECT SET-UP AND MANAGEMENT |
| To ensure that positive sustainability outcomes can be achieved throughout design, construction and ongoing operation, all proposals should implement decision-making processes and strategies to ensure the project will be used to its full operational potential. |  |
| * How will the project facilitate coordinated approaches among cross-sectoral stakeholder interests?

Consider: * + Are there any existing processes to promote transparency, accountability, the inclusion and provision of information, and to provide for practical standards of responsibility and resource allocation?
 |  |
| * How will the project commit to implementation and continual improvement?

Consider:* + Are there any existing policies/procedures that provide for practically enforceable standards of ownership, accountability and delivery? Are there existing mechanisms to enable performance evaluation, feedback and support?
 |  |
| * How will the project promote sustainable cultures and behaviours among stakeholders?

Consider:* + Are there any existing policies/procedures that can raise awareness of the sustainability requirements of the project among stakeholders? What opportunities exist to enable more sustainable practices and continual improvement through data monitoring and information sharing?
 |  |
| * How will the project verify its sustainability outcomes at the design, construction and operation phases?

Consider:* + Are there any mechanisms for independent verification being considered? What opportunities are there for tracking initial sustainability outcomes from concept through to construction? How are deliverables being monitored?
 |  |
| * How will the project enable and provide for improved sustainability performance?

Consider:* + What are the opportunities for commissioning, handover and tuning initiatives to help ensure all building services operate to their full potential?
	+ How will the project develop resilience to the impacts of a changing climate and natural disasters?
	+ How will the project facilitate understanding of a building’s systems, operation and maintenance requirements and environmental targets?
	+ What are the opportunities to encourage owners, occupants and facilities management teams to set targets and monitor environmental performance in a collaborative way?
	+ What are the opportunities for effective energy and water metering and monitoring systems?
	+ What are the opportunities for the project to use best practice formal environmental management procedures during construction?
	+ How will the project seek to reduce operational waste?
 |  |
| INDOOR ENVIRONMENT QUALITY |
| **Buildings are designed for people, and improvements in sustainability performance should not be made at the expense of comfort and wellbeing. A holistic approach to sustainability is achieved when initiatives that improve sustainability performance also improve occupant experience of the space.** |  |
| * How will the project seek to enhance occupant comfort and wellbeing?

Consider:* + How will the project ensure healthy environments?
	+ How does the project provide high levels of thermal comfort?
	+ How will the project provide superior air quality to occupants?
	+ How will the project provide appropriate and comfortable acoustic conditions for occupants?
	+ How will the project provide lighting comfort to users?
	+ How will the project support well-lit spaces that provide high levels of visual comfort to occupants?
 |  |
| * How will the project ensure low-toxicity environments?

Consider:* + How does the project safeguard occupant health through the reduction in internal air pollutant levels?
 |  |
| ENERGY |
| **Buildings that are designed and constructed to reduce overall energy consumption deliver reduced greenhouse gas emissions, lower energy demand and less operating costs for owners and occupants. Energy consumption can be lowered through energy efficiency and the use of energy generated by low emissions sources.** |  |
| * How will the project reduce its greenhouse gas emissions and peak demand?

Consider:* + How will the project implement well-designed systems aimed at lower operating emissions?
	+ How will the project select high-efficiency equipment over less energy-efficient alternatives?
	+ How will the project implement well-designed and zoned lighting that is energy efficient and appropriate for use?
	+ How will the project use efficient supplementary equipment?
	+ Will the project procure zero carbon energy sources and reduce use of natural gas for building services?
 |  |
| TRANSPORT |
| **The use of motor vehicles directly contributes to climate change in two ways—through the high amounts of energy required to produce cars, and build and maintain supporting road transport infrastructure and services, and the direct emissions that result from car operations. Reducing occupant dependency on private car use can be an important means to reduce overall greenhouse gas emissions. This may include initiatives that encourage and make possible the use of mass transport options, cycling or walking, and the selection of sites that are close to a large number of amenities.** |  |
| * How will the project support reductions in carbon intensive modes of transport, promote the health and fitness of commuters and increase the liveability of the project location?

Consider:* + Is the project located on a site that has accessible public transport options?
	+ Is the project near diverse amenities or initiatives to encourage the use of alternative transport options, such as bicycles or electric vehicles?
	+ What policies/procedures/legal requirements exist to respond to this?
 |  |
| WATER |
| **Reductions in water consumption can be achieved through maximising water efficiency and using reclaimed water sources. Projects can reduce the consumption of potable water through measures such as incorporating water-efficient fixtures and building systems, and water re-use.** |  |
| * How will the project support reductions in potable water consumption?

Consider:* + How will the project select equipment that is more water efficient than comparable standard practice equivalents?
	+ How will the project use water efficient supplementary equipment?
	+ How will the project select water-efficient toilets, taps and showers?
 |  |
| MATERIALS |
| **Projects should address the consumption of resources in building construction by encouraging the selection of lower-impact materials. Absolute reductions in the amount of waste generated should also be encouraged as well as recycling as much as possible.** |  |
| * How will the project support the use of products and materials with lower impact? How will the project assess the materials used in terms of their life cycle, impact and toxicity?

Consider:* + How will the project address life cycle impacts of construction materials and products?
	+ How will the project support the selection of furniture, assemblies and flooring materials that are certified or re-used?
	+ How will the project use products and materials that are subject to chain-of-custody agreements?
 |  |
| * How will the project support the reduction in waste to landfill?

Consider:* + How will the project minimise waste through efficient design and material selections?
	+ How will the project consider waste minimisation across its entire project life cycle?
	+ How will the project use materials with high levels of recycled content or select re-used products and materials?
 |  |
| LAND USE AND ECOLOGY |
| **Negative impacts on the project site’s ecological value as a result of development should be reduced. The project should minimise harm and enhance the quality of local ecology.** |  |
| * How will the project support the reduction in waste to landfill?

Consider:* + Will the project improve the ecological value of the site?
	+ Will the project be developed on a site that has limited ecological value, re-use previously developed land or remediate contaminated land?
	+ How will the project seek to reduce the ecological impacts from occupied sites? E.g. best practice approaches for addressing stormwater, reducing impact of heat island effects from hard surfaces and reducing light pollution.

If relevant:* + Has the site been remediated in accordance with best practice remediation strategy?
 |  |
| EMISSIONS |
| **The project should minimise point source pollution emissions. Negative impacts commonly associated with buildings include damage to the environment through refrigerant leaks or disturbances to native animals and their migratory patterns as a result of light pollution.** |  |
| * How will the project seek to minimise point-of-source pollution emissions?

Consider:* + How will the project minimise peak stormwater flows and reduce pollutants entering public sewer infrastructure?
	+ How will the project minimise light pollution?
	+ How will the project implement systems to minimise the impacts associated with harmful microbes in building systems?
	+ How will the building encourage operational practices that minimise the environmental impacts of refrigeration equipment?
 |  |
| INNOVATION |
| **The proposal should recognise and encourage the implementation of innovative practices, processes and strategies.** |  |
| * How does the project recognise and encourage the implementation of innovative practices, processes and strategies that promote sustainability in the built environment?

Consider:* + Will the project use a technology or process that is considered innovative in Australia or the world?
	+ Will the project undertake a sustainability initiative that contributes to broader market transformation towards sustainable development?
 |  |

Have you considered the overall impact of the sustainability assessment on the reference project/s and reflected upon the outcomes in the relevant assessments i.e. the deliverability assessment, the environmental assessment, the socio-economic analysis, the social impact evaluation, the risk assessment and the project cost estimate/s?

1. Social impact evaluation (B7)

This section identifies and evaluates the potential social impacts in progressing the reference project/s.

The social impact evaluation (SIE) is completed before the economic, environmental and financial analyses as it provides valuable input into those analyses.

* 1. Approach

Outline the approach to undertaking the SIE including any limitations and assumptions.

The specific approach for undertaking a SIE can be found in the *Social Impact Evaluation Guide.*

* 1. Social impact baseline

Identify social impacts relevant to the reference project/s.

Table 7: Social impacts

| Stakeholder | Baseline | Impact of project | Impact during implementation |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Include any substantial narrative in subsections.

* 1. Evaluation

Identify social impacts relevant to the reference project/s. Where appropriate, potential social impacts can be grouped.

Include the entire table from the SIE Microsoft Excel Tool (Appendix 2 in the SIE Guide).

* 1. Impact summary

Include narrative, tables or radar charts to illustrate the following (refer to the SIE Guide).

* 1. Impact of the project

Table 8: Project impacts

| Stakeholder | Baseline | Impact of project | Impact during construction / implementation |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |

* 1. Negative impacts and their mitigations

Table 9: Negative impacts

| Impact | Change | Outcome  |
| --- | --- | --- |
| During implementation |
|  |  |  |
|  |  |  |
| During operations |
|  |  |  |
|  |  |  |

* 1. Additional opportunities

List any additional opportunities (not included in the design, implementation plan etc.) that could be implemented to create social value.

Table 10: Impact opportunities

| Impact | Impact (with project) | Proposed enhancement | Optimal impact |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

* 1. Integration

Document how social impacts have been incorporated into the economic, financial, risk, benefits and delivery analyses.

Table 11: Impact integration

| Impact | Project element / mitigation | Integration with business case  |
| --- | --- | --- |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

#### Are the key social impacts of the project clear?

Have you considered whether the identified impacts can be quantified and monetised? If so, are these incorporated into the socio-economic narrative/CBA and have all remaining impacts been included in relevant assessments?

Have you documented the impacts in the appraisal summary table (AST)?

1. Environmental assessment (B8)

This section documents the proposal’s environmental impact assessment including specific actions required to meet all relevant policy, regulatory and legislative requirements and any likely community concerns.

* 1. Approach

Document the approach taken including:

* identifying and reviewing information from relevant previous studies
* identifying all potential environmental issues and impacts
* undertaking a desktop assessment of how environmental issues and impacts may affect the reference project/s.
	1. Identification of environmental impacts

Outline how you have identified and categorised the relevant environmental considerations of the reference project/s. Document the following, where appropriate:

Table 12: Identification of environmental impacts

| Aspect  | Considerations  |
| --- | --- |
| Legislation and permit requirements  | * Identify and consider the impact of any legislative obligations and approvals required (in addition to those noted in Section B4)
* Perform high-level cost and time calculations for each requirement
 |
| Planning and land use | * Review current land uses
* Consider potential changes to land use during the construction and operational phases of the project (where appropriate)
* Describe the degree of alignment to relevant plans and how the project contributes (or fails to contribute) to any environmental schemes
 |
| Property impacts | * Identify and describe any impacts to public and private property (if not already noted in Section B7)
 |
| Topography, geology and soils | * Consider sediment and erosion-control management
* Identify relevant matters in the environmental management register and contaminated land register
 |
| Water quality: both surface water and ground water | * Provide information on any existing management strategies as well as proposed infrastructure
* Describe strategies to manage existing or potential water-quality issues
 |
| Hydrology | * Undertake high-level hydrological and hydraulic investigation, analysis and assessment of any infrastructure options to assist in refining the design and providing input for the detailed planning and costing
 |
| Climate and air quality | * Investigate potential impacts of climate and seasonal variations on design and project delivery
* Consider potential impacts and strategies for managing air-quality issues during project delivery
 |
| Flora and fauna  | * Describe important flora and fauna (including aquatic flora and fauna if relevant):
	+ identify strategies for habitat management
	+ consider habitat connectivity
	+ consider weed management implications
	+ consider remnant vegetation management implications
	+ consider stormwater management implications.
 |
| Climate change and emissions | * Consider and describe how the project will mitigate climate change by contributing to a reduction in carbon emissions
 |
| Noise and vibration | * Consider potential impacts and strategies for managing noise and vibration issues during project delivery
* Also consider potential impacts and strategies for managing noise and vibration issues (where appropriate) post project delivery
 |
| Natural resource management and use including energy and water | * Identify and consider the impact of options on natural resource use including energy and water
* Develop strategies for natural resource management including energy and water use during and after delivery.
 |
| Landscape and visual amenity | * Describe any impact on visual amenity
* Identify strategies to respond to issues relating to visual amenity and landscape impacts during and after delivery
 |
| Cultural heritage | * Create a statement of places with known or potential historical significance
* Identify strategies for managing any potential impact on cultural heritage
 |
| Waste management | * Consider waste management during project delivery and operation
 |

* 1. Environmental impacts

Any environmental impacts that are unable to be avoided, mitigated or offset (which are captured in economic or financial analysis) should be assessed. These residual environmental impacts can be divided into three assessment categories which are managed differently (Table 13). Summarise the environmental impacts (Table 14).

Table 13: The relationship between environmental impacts and approach

|  | relationship between environmental impacts and approach |
| --- | --- |
|  | QUALITATIVE | Quantified | Monetised | Include in | Approach |
| Environmental impacts |  |  |  | Cost benefit analysis (CBA) | There is no need to include impacts included in the CBA in the environmental assessment |
|  |  |  | Quantitative environmental assessment | Include unit of measure |
|  |  |  | Qualitative environmental assessment | Describe impacts in detail  |

Table 14: Environmental impact assessment summary

| Environmental Impact Assessment |
| --- |
| Impact identified | Description of impact | Evaluation approach (CBA/quantitative impacts/ qualitative impacts) |
| Impact 1 |  |  |
| Impact 2 |  |  |
| Etc. |  |  |

Make note of any impacts on benefits or emerging dis-benefits and document any adjustments necessary to the reference design.

Update the stakeholder engagement plan, benefits register, and risk register if required.

Have you documented a complete environmental assessment that outlines the relevant impacts expected for the proposal?

Where applicable, does the Stage 3: Detailed Business Case provide a review of the environmental assessment from previous work (i.e. Stage 1: Strategic Assessment and Stage 2: Options Analysis)?

1. Economic analysis (B9)

This section documents a robust, transparent and coherent socio-economic narrative of the proposal viability or merit. It incorporates qualitative and quantitative cost and benefit information, and analysis from the social impact evaluation (SIE) and cost benefit analysis (CBA).

* A broad range of data to support the economic assessment is available from the Australian Bureau of Statistics (ABS) and Queensland Government Statistical Office (QGSO).
* The cost, benefits, BCR/NPV estimate from the Stage 2: Options Analysis should be reassessed.
* Include detailed capital costs, outputs and benefits for the reference project/s to finalise the economic assessment (e.g. NPV and BCR).
* Include costs or dis-benefits during the construction period and (where appropriate) the impact of the reference project on induced demand.
* Consider if the economic benefits suitable for inclusion in economic assessment are specific, tangible and able to be monetised, and can be clearly linked to the investment or activity. Assumptions should also be clearly outlined.
* Clearly outline assumptions, constraints and limitations.
* Apply supporting guidelines including the *Cost Benefit Analysis Guide*, when completing the economic analysis.

* 1. Approach

As outlined in the *Cost Benefit Analysis Guide* the approach to the economic analysis including the detailed methodology adopted, benefit categories and their derivation. The CBA approach/methodology should include all key inputs, parameters, assumptions, sensitivity and scenario analysis and a description of the base case and reference project/s.

* 1. Benefits

As outlined in the CBA Guide, describe the identified incremental benefits (qualitative, quantitative, positive and negative) of the reference project/s relative to the base case.

Economic benefits suitable for inclusion in the economic assessment are specific, tangible and monetised. They can be clearly linked to the reference project/s.

* 1. Costs

As outlined in the *Cost Benefit Analysis Guide*, describe the economic cost/s of the reference project/s.

Key costs and benefits should be summarised in a table. Detailed cost and benefit flows for all parameters over the full evaluation period should be included as an appendix to the business case and in any advisor’s economic analysis report.

* 1. Cost benefit analysis results

As outlined in the *Cost Benefit Analysis Guide*, document the CBA results including a description and discussion of the net incremental benefits and costs (NPV/BCR and IRR) for the central case, full NPV/BCR profile and for P50 and P90 cost (report the level of design or class used).

* 1. Socio-economic narrative

Document a clearly articulated socio-economic narrative of the qualitative and quantitative economic merit of the proposal.

* 1. Sensitivity and scenario analysis

Describe and outline the results of the scenario and sensitivity analysis undertaken to address risk and uncertainty in the economic analysis results.

* 1. Quality assurance review and results

Summarise the findings of an independent peer review of the economic analysis including a reconciliation against the final methodology, parameters and assumptions and confirming this against Section 6.2 Health check, in the *Cost Benefit Analysis Guide*. Summarise the findings of the economic analysis including any limitations, constraints, risks and uncertainties.

#### Does the economic analysis provide an overview of the following?

* the socio-economic narrative
* a summary table of the value of benefits and costs
* the central case CBA results including NPV and BCR, incorporating climate risk
* sensitivity testing of the CBA, on key parameters
* scenario analysis including foresighting and alternate futures
* a summary table of the CBA sensitivity and scenario analysis
* full NPV profile including P50 and P90 cost and level of design or class used.

Have you adequately incorporated peer review feedback into the economic analysis?

Attach all modelling and analytical results in full (profile of cost and benefits) as an appendix.

A summary of the findings of the independent peer review should be included with a high-level discussion of the findings and how they have been considered in the CBA analysis.

1. Financial Analysis (B10)

This section documents the financial analysis undertaken to develop sound and robust risk-adjusted capital and operating cash flow budget estimates and, where appropriate, commercial viability assessments. This analysis will inform decision-makers of the proposal’s merit as a sound investment. It presents a detailed evaluation of the financial implications including risk, budget, structuring alternatives (where applicable) and commercial imperatives (where applicable).

* Include the rationale for how costs and risks have been determined. Describe all assumptions underpinning the financial evaluation (e.g. assumptions book)
* Risks should be clearly defined and include a rationale to support the likelihood of them occurring. Appropriate contingency allocations should be based on a risk eventuating. Unexpected/unplanned escalation of materials is a common example of a proposal risk.

* 1. Approach

Document the approach used in the financial analysis. This should clearly articulate the development and justification of the assumptions, parameters and inputs. In particular, the rationale for the investment evaluation horizon and the terminal value must be clearly articulated with highly subjective and uncertain cash flows being appropriately risk adjusted.

Clearly document the financial analysis approach and analytical outputs necessary to inform the economic cost benefit analysis (CBA). Evaluate the budget analysis and affordability requirements of the proposed investment and, where appropriate, undertake a commercial investment evaluation (pre/feasibility or feasibility assessment).

Have you considered the key considerations for a financial analysis that are outlined in the Stage 3: Detailed Business Case Guide (Section B10: Financial analysis)?

* 1. Financial analysis

### Capital costs

Detail the key elements of the capital cost budget analysis including:

* most likely raw capital costs (appendices to provide lowest level of cost detail such as rates and quantities)
* quantification and realistic distribution/probabilities (minimum five point) for all lowest level capital cost estimates (appendices)
* capital cost estimate distribution curve including analysis of curve characteristics such as range, skewness and kurtosis
* quantification of capital cost risks including realistic distribution/probabilities (minimum five point)
* capital cost risk distribution curve including analysis of curve characteristics
* a scope uncertainty risk estimate (correlated against known available information)
* analysis of uncertain range (+/-) against level of design. This must justify rationale for lower uncertainty ranges than historical evidence would support
* summation of most likely single point estimates
* distribution curve summation of all cost raw estimates, uncertainties and risk distributions.

### Operating costs

Detail the key elements of the operating cost budget analysis including:

* most likely raw operating costs (appendices to provide lowest level of cost detail such as rates and quantities) including operating costs and maintenance costs (capital and operating)
* quantification and realistic distribution/probabilities (minimum five point) for all lowest level operating cost estimates (appendices)
* operating cost estimate distribution curve including analysis of curve characteristics such as range, skewness and kurtosis
* quantification of operating cost risks including realistic distribution/probabilities (minimum five point)
* operating cost risk distribution curve including analysis of curve characteristics
* develop a scope uncertainty risk estimate (correlated against known available information)
* analysis of uncertain range (+/-) against level of design. Justify rationale for lower uncertainty ranges than historical evidence would support
* summation of most likely single point estimates
* distribution curve summation of all cost raw estimates, uncertainties and risk distributions.

### Terminal value assumptions

Detail the key assumptions underpinning the estimation of the terminal value, which in many instances will be a negative or zero value, including:

* cost estimation approach and rationale including consideration of asset impairment values
* evaluation period or investment life
* disposal, end-of-life and exit costs.

### Current operating costs

Detail the key elements of the current operating costs (three years historical and forecast over the investment horizon) including:

* lowest level historical operating costs
* forward funding estimates
* approach/justification to escalating historical or forecasting/projecting operating costs including renewal/refurbishment of capital assets
* ranging estimates approach and justification
* risk quantification approach and justification
* summation of single point estimates and distribution curve ranges.

### Sensitivity and scenario analysis

Document the sensitivity and scenario analysis used to determine the likely impacts on the proposed investment’s costs, timing and benefits:

* evaluate at the lowest level for both cost elements and risks to determine which aspects are most sensitive to changes (appendices)
* document the implications of variables sensitivity to financial viability
* document the mitigation strategies to address variable risk to financial viability for implementation
* document the scenario analysis to develop distribution profiles to determine probability ranges for successful financial viability (as appropriate).

### Key financial elements

Document all key financial elements including:

* the most likely (expected) capital cost. Include key uncertainties impacting cost, benefits and timing of the investment
* derivation of the current operating costs
* the most likely whole-of-life operating cost. Include key uncertainties impacting cost, benefits and timing of the investment
* the incremental impact of the proposed investment (proposal costs against the base case)
* implications for the entity’s budget
* rationale for changes (both savings and increases to the current operating costs)
* the total cost of ownership of the proposed investment in absolute terms.

Include graphs and tables only as necessary to illustrate/reinforce the key capital and operating budget implications that impact on the financial viability of the proposed investment.

* Analysis should identify and quantify the likelihood and impact of risks on the reference project/s.
* Risk allocation should consider the risk owner, whether the public or private sector is responsible for the risk, and who is best placed to manage it.
* Queensland Treasury should be consulted for assistance relating to the potential for private sector funding and/or financing.
* Ensure terminal value estimates (which in many instances will be very low or nil) are compliant with national and international accounting practices e.g. consider accounting depreciation values in the context of asset impairment, mark-to-market values, uncertainty, and commercial and economic reality. In all cases, residual or terminal value estimates include end-of-life recurring capital and exit cost (in some cases terminal value may be negative values).
* Ensure financial analysis includes an assessment of value capture opportunities, refer to Stage 3: Detailed Business Case Guide. Contact the Department of State Development, Infrastructure, Local Government and Planning for further guidance and materials to help you undertake a value-capture assessment.

* 1. Commercial analysis

Where applicable (i.e. the reference project/s is owned by a government-owned corporation [GOC]), summarise the results of a commercial evaluation of the reference project/s. Refer to the approach outlined in the Stage 3: Detailed Business Case Guide.

* 1. Assurance review and results

Summarise the findings of an independent peer review of the financial and/or commercial analysis including a reconciliation against the final methodology, parameters and assumptions used.

* 1. Analysis summary

Summarise the findings of the financial analysis including any limitations, constraints, risks and uncertainties.

#### Have you documented all key assumptions, methodologies and limitations to the financial evaluation?

Have you considered the key considerations of the financial evaluation outlined in the Stage 3: Detailed Business Case Guide?

Does the financial evaluation provide decision-makers a detailed evaluation of the following?

* consideration for budgetary impacts and potential government-funding sources
* projected cash flows over the life of the proposal/annual projections for net cash flow impact over the proposal horizon
* relevant building information modelling (BIM) considerations for the reference project/s analysis
* an evaluation for value capture and user-charging
* risks with financial cash flow consequences identified and accounted/appropriate risk allocation
* stochastic or other risk analysis (e.g. using @Risk or Crystal Ball) on keys parameters, completed and documented including visualisation of key risks e.g. tornado or probability spider
* risk-adjusted CAPEX and OPEX expected and cost distribution profiles, which are aligned to the level of design or class used
* the outcomes of the financial analysis and the implications for the investment evaluation
* full profile including P50 and P90 cost and this is commensurate with the level of design or class used.

1. Affordability analysis (B11)

This section outlines all relevant information that will allow decision-makers to assess whether the proposal is an affordable option over its life and should be considered as a potential investment option.

* 1. Approach

Describe the approach and methodology for the affordability assessment and analysis of the preferred funding options.

* 1. Affordability assessment

Present the results of the affordability assessment, acknowledging all underpinning assumptions from the detailed business case assessments including the implications of changing the preferred delivery model.

#### Does the affordability of the proposal consider all assessments performed in the detailed business case?

* Have you clearly outlined the outcomes of the affordability assessment including potential funding gaps?
* Have you consulted with Queensland Treasury about potential budget and funding implications of the proposal?

1. Appraisal summary table (B12)

This section provides an overarching summary of the analyses undertaken in Section B.

* 1. Summary of key consequences

Consider the following AST example.

Table 15: Appraisal summary table (AST)

|  | Impact description | Summary of key impacts | Quantitative impacts | Qualitative short-term impacts | Qualitative medium-term impacts | Qualitative long-term impacts | Result/ Impact/ Value |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Environmental | Short description of the environmental impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Describe the environmental impact risks |
| Economic | Short description of the economic impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Net present value (NPV)Benefit cost ratio (BCR)Internal rate of return (IRR) |
| Financial | Short description of the financial impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | $xxm |
| Social | Short description of the social impact/s | Describe the results of the impact | Describe the quantitative assessment of the impact | Describe any qualitative assessment of the impact | Describe the qualitative assessment of medium-term impacts | Describe the qualitative assessment of long-term impacts | Describe the social impact risks |

# Health check B

Checklists are for your pre-submission use only; you do not need to include them in the final document.

Before progressing further with the Stage 1: Strategic Assessment, complete the following checklist. If you cannot complete an item, include an explanation in section 1.3 Methodology.

| # | Have you completed the following tasks? | Section | Completed |
| --- | --- | --- | --- |
| 1 | Provided a comprehensive review of the reference project/s, documenting the scope and objectives, the outcomes and benefits expected and any changes from previous work i.e. Stage 1: Strategic Assessment and Stage 2: Options Analysis | B3 |[ ]
| 2 | Captured discussions around the alignment/misalignment of the reference project/s with all relevant government policy, programs and initiatives, and discussed the impact for the proposal | B3 |[ ]
| 3 | Documented all policies, standards, legislations and regulations that are applicable to the reference project/s, and considered relevancy through a whole-of-life, whole-of-system, lens from proposal inception and delivery to the ongoing/operational phase | B4 |[ ]
| 4 | Documented potential impacts of the reference project/s on relevant areas of public interest including public access, equity, consumer rights, security and privacy | B5 |[ ]
| 5 | Provided a completed sustainability assessment | B6 |[ ]
| 6 | Documented the result of the proposal’s social impact evaluation  | B7 |[ ]
| 7 | Provided a completed environmental assessment for the proposal, including identifying all potential environmental impacts and any mitigation strategies | B8 |[ ]
| 8 | Provided a robust and transparent socio-economic analysis narrative and CBA, which has been assessed against Section 6.1 Quality and 6.2 Health Check in the CBA Guide, and adequately considered peer review feedback | B9 |[ ]
| 9 | Provided a socio-economic analysis which has considered uncertainty, climate risk and resilience (including sensitivity and scenario analysis)  | B9 |[ ]
| 10 | Provided a complete, robust, transparent and accurate financial assessment for the reference project/s | B10 |[ ]
| 11 | Provided a financial analysis detailing the level of design (or class) and showing it is fit for purpose according to the decision-maker’s level of risk tolerance | B10 |[ ]
| 12 | Captured all relevant information to allow decision-makers to assess whether the project is an affordable option over its whole-of-life | B11 |[ ]
| 13 | Documented any consultation with Queensland Treasury for assistance relating to the potential for private sector funding and/or financing | B11 |[ ]

Section C:
Delivery

1. Market consideration (C1)

This section documents the market sounding objectives, approach and feedback as well as assessment of market capability.

* 1. Approach

This section should include content as outlined in Table 16.

**Table 16: Market considerations**

| **Content** | **Considerations** |
| --- | --- |
| **Market sounding objectives** | Market sounding refers to the collection of activities to determine the market’s appetite for involvement and/or explore possible solutions. Document the objectives for market sounding. They may include:* obtaining market information including risk appetite and the availability of contractors
* acquiring feedback on matters such as proposal scope and specification, the opportunity for design and construction innovation, timelines for the bidding process and bidder selection criteria
* providing information to the market e.g. on proposal requirements.
 |
| **Market sounding approach** | For the Stage 3: Detailed Business Case this may involve detailed desktop market sounding of trends and issues including formal requests for information. In some cases, this will involve conducting formal market sounding processes using structured engagement with industry. As market sounding should focus on the private sector as a whole rather than on any individual company, structured engagement requires careful consideration regarding which companies and industry groups to approach. Planning and structuring the engagement is important to minimise the risks of providing information to companies which may give them an unfair advantage during any future procurement processes. A clear probity protocol is required to assist in managing such risks. Probity protocols should not prevent discussions with the market, but they should ensure care is exercised so no company has, or is perceived to have, received or provided information that offers them an unfair advantage in any subsequent procurement process. |
| **Market feedback** | Feedback typically includes:* feedback on options and risk allocation
* market preference on size and staging (work packages).
 |
| **Assessment of market capability** | Consider the market capability and interest including delivery or financing options. This should include local market engagement during options analysis development as well as delivery. Where the local market is to be targeted during delivery, this should be reflected in the economic and financial analyses.Information from this section is used to inform the financial and risk assessment sections. |

* 1. Outcomes

Does the key market feedback information include risk, market capability and other considerations which will inform deliverability assessment, environmental assessment, the social impact evaluation, the risk assessment and cost estimates to ensure confidence in the proposed investment?

#### Have you considered the impacts of market considerations?

* Are these reflected in the deliverability assessment, environmental assessment, the social impact evaluation, the risk assessment and the project cost estimates?
* When documenting the market considerations assessment, have you included the market sounding approach and assessment results?

1. Delivery model analysis (C2)

This section outlines the delivery model analysis and recommendations. The analysis considers packaging options for the preferred proposal followed by delivery model analysis and development of private finance models (as appropriate).

* 1. Approach

Describe the approach and methodology used for the delivery model analysis including content as outlined in Table 17 below.

Table 17: Delivery model analysis content and considerations

| Content | Considerations |
| --- | --- |
| Approach  | Describe the methodology used for the delivery model assessment of shortlisted options. This should include documentation of:* assumptions underlying the analysis
* proposal characteristics e.g. objectives, scope, timelines, stakeholders, market capability and capacity
* proposal key inputs to the analysis e.g. costs, risks, market sounding and financial analysis
* literature used to inform the assessment, in particular, current issues and case studies on delivery of similar projects in Queensland and other jurisdictions
* staging of opportunities and scenarios
* proposal items not already considered as part of the analysis
* criteria and measures for analysis, including the importance of the criteria
* evaluation and mitigation of risks
* scope inclusions and exclusions.
 |
| Packaging evaluation | Consider whether the investment should be one package or several. The analysis should always detail supporting evidence, analysis and rationale. Issues to consider may include:* brownfield versus greenfield infrastructure
* discrete elements of procurement e.g. signalling, roads
* easily separable portions of work e.g. geographically
* analysis of risks and interface issues
* operating environment
* accessibility
* staging opportunities/requirements.
 |
| Analysis context | Document key elements for the delivery model analysis including:* proposal objectives.
* proposal design.
* detailed quantitative risk assessment including whether risks could potentially be transferred using both public and private procurement models
* detailed elemental capital and operating costs
* agency capability
* analysis of efficiency opportunities
* precedent investments across jurisdictions
* historical evidence (locally or across jurisdictions where applicable)
* interface challenges
* detailed transposition of workshop discussions.
 |
| Delivery model analysis outcomes | * Outline potential traditional delivery models considered for the proposal.
* Summarise and discuss the assessment of the potential traditional models.
* Make note of any justification for government delivery e.g. design.
* Identify the preferred traditional delivery model and rationale for selection and associated risks.
* Provide details for the delivery of similar infrastructure elsewhere.
* Summarise the potential for Public Private Partnerships (PPP) to procure and deliver the preferred option/s. Include an assessment of potential PPP delivery models considered for the proposal.
 |
| Proposed model | Document the proposed model including a summary of its advantages and disadvantages. |

* 1. Outcomes

The delivery model analysis evaluates potential procurement models. It recommends a model likely to optimise value for money in delivering the investment.

The analysis considers packaging options for the procurement as well as development of private finance models (as appropriate).

* 1. Private finance delivery model assessment

Summarise the potential for Public Private Partnerships (PPP) to procure and deliver the reference project/s. Include an assessment of potential PPP delivery models considered for the proposal.

#### Does this section outline a recommended approach that provides value for money for investment consideration?

The most cost-effective, feasible and deliverable approach for the proposal, which best meets the evaluation criteria, is recommended.

The proposal should consider the potential for packages of work, and the suitability of traditional and PPP delivery models against the evaluation criteria.

* Where appropriate, use weighted evaluation criteria for the proposal.
* The evaluation must consider how the proposal will be managed throughout its life cycle.

#### Have you clearly documented the methodology used for the delivery model evaluation?

#### In completing this section have you provided the following:

* An evaluation of work packages?
* An evaluation of a range of potential delivery models including traditional and PPP delivery models?
* A summary of the outcomes of value-for-money PPP evaluation?

1. Public sector comparator (C3)

This section outlines the Public Sector Comparator (PSC) model, which estimates the most likely value of the proposal if it is delivered by the public sector using the most efficient method of government delivery. The PSC will form the benchmark against which private sector bids and delivery through PPP models are compared.

* 1. Approach

Document the approach to the PSC assessment, and the results of that assessment.

1. Implementation plan (C4)

This section outlines the proposed implementation program for the delivery of the reference project/s. It outlines plans for governance, project management, procurement, change management, resource requirements and benefits realisation.

* 1. Implementation governance

Document the proposed implementation governance arrangements. Include a diagram.

* 1. Project management plan

Include a high-level Gantt chart.

* 1. Procurement strategy and plan

Document the development of the proposed procurement strategy for the proposal.

* 1. Change management

Document the development and implementation change-management strategies for the proposal.

* 1. Resource requirements

Outline the skills and resource requirements for the proposal.

* 1. Benefits realisation

Document the development of a benefits realisation methodology for the proposal, including key performance indicators and timelines for their measurement.

# Conclusions

## Outcome of the analyses

Document results of key components of the detailed analyses. Summarise key content noting issues that may impact the delivery of the proposal.

Clearly articulate the social, economic, financial and environmental merit of the proposal. Outline how the reference project meets the service need and delivers quadruple bottom-line outcomes, drawing together the key findings from Sections A, B and C.

Clearly state if the reference project is viable, rejected or to be modified?

Clearly articulate the limitations and constraints in the analysis and the key evaluation supporting whether the proposal is to progress further, be rejected or be subject to further analysis.

# Recommendations

Provide detailed recommendations flowing from the analytical and strategic considerations developed within the business case.

## Recommendations

Document the viability of the proposal (economic, social, environmental, sustainability, financial, affordability and commercial) including, as appropriate, endorsement of the reference project or alternative actions.

Areas within the business case requiring recommendations also include:

* identification of significant issues or risks
* key activities/thresholds to be achieved prior to the project going ahead
* the recommended delivery options
* key timeframes, timing and governance arrangements.

Finalise the benefits and risk registers and make note of any possible future risks and benefits actions/activities.

## Next steps

Document the recommended procurement management approach including approvals, significant issues and risks, and optimal timing considerations.

Where the outcome of the analyses concludes that a non-infrastructure preferred option/s is to be progressed, include recommendations regarding the oversight and ownership of the proposal.

# Health check C

| # | Have you completed the following tasks? | Section | Completed |
| --- | --- | --- | --- |
| 1 | Documented the impacts of market considerations and how they have been reflected in the deliverability assessment, environmental assessment, the social impact evaluation, the risk assessment and the project cost estimates | C1 |[ ]
| 2 | Captured an overview of the proposal’s market considerations activities, including relevant research and market sounding activities | C1 |[ ]
| 3 | Outlined a recommended delivery model for the reference project/s that provides decision-makers assurance of a value for money outcome to consider the project further for investment | C2 |[ ]
| 4 | Provided an overview of the PSC assessment and its outcome | C3 |[ ]
| 5 | Provided an overview of the implementation plan | C4 |[ ]
| 6 | Documented the business case conclusions  |  |[ ]
| 7 | Documented the business case recommendations  |  |[ ]
| 8 | Documented all references for the Stage 3: Detailed Business Case |  |[ ]
| 9 | Provided a succinct executive summary that considers a high-level overview of the results of the Stage 3: Detailed Business Case assessments and is an appropriate length for the intended audience |  |[ ]

# References

List all relevant references used in the development of the Stage 3: Detailed Business Case.

1. Benefits register

Benefits identified during Stage 3: Detailed Business Case development should be captured in a benefits register. The benefits register should include:

* benefit description
* statement of problem/opportunity or proposed initiative that the benefits relate to
* related stakeholder/s
* potential beneficiaries
* proposal measures
* relative importance.

The benefits register ensures options address the benefits sought and that stakeholder needs are incorporated into the reference project/s design.

The benefits register in the detailed business case will include information gathered (and retained) during the development of the Stage 1: Strategic Assessment and Stage 2: Options Analysis. It will also include the suggested category of the benefit, dependences, risks and other considerations relevant to that benefit.

Further information on refining benefits can be found in the *Benefits Management Framework* and the *Social Impact Evaluation Guide.*

Table 18: Example benefit register

| Initial Benefit register  |
| --- |
| Benefit description | Related to: (state problem/opportunity statement or potential initiative) | Related stakeholder/s**Example only** | Potential beneficiary | Possible measures | Relative importance |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

1. Risk register

While developing a detailed business case, risks should be captured in a risk register. The risk register should, at a minimum, include:

* risk description
* trigger
* impact
* rating for the likelihoods and consequences
* overall risk rating
* control strategy.

At Stage 3: Detailed Business Case, the risk register is used to shape the reference project/s, financial and socio-economic analysis and inform any implementation plan.

Table 19: Example risk register

| RISK register  |
| --- |
| Risk category | Risk description | Trigger | Impact | Likelihood | Consequence of risk | Risk rating | Control strategy |
|  | There is a risk that … | … caused by … | … resulting in … |  |  |  |  |
| Delivery  | There is a risk construction is delayed. | … caused by extended periods of rain. | … resulting in an extended construction period which may impact on … | Likely**Example only** | Major | High | Ensure the project schedule includes sufficient float to account for potential weather delay.  |
| Demand | There is a risk local growth strategies may change under the newly elected local council.  | … caused by new local councillors having a stronger preference for urban containment.  | … resulting in lower traffic volumes and toll revenue.  | Possible | Moderate | Medium | Agency to keep in close and regular contact with Council.  |
|  |  |  |  |  |  |  |  |

1. Stakeholder engagement plan

A stakeholder engagement plan lists stakeholders who are relevant to the service need and who must be considered during Stage 3: Detailed Business Case development. The stakeholder engagement plan documents the methods and frequency with which stakeholders will be engaged. The plan is a living document and will be adjusted throughout the Stage 3: Detailed Business Case development.

Active and ongoing stakeholder engagement is recommended.

The stakeholder engagement plan should include:

* stakeholder name/description
* extent of stakeholder interest and influence in the service need/potential initiative
* proposed mechanism for stakeholder engagement i.e. inform, consult, active participation
* risks of engaging (or not) with stakeholders
* proposed strategies for managing stakeholder risks.

Table 20: Example stakeholder engagement plan

| Initial Stakeholder Engagement Plan  |
| --- |
| Stakeholder name/ description | Interest level (H,M,L) | Influence level (H,M,L) | Proposed mechanism and actions**Example only** | Risks | Risk management strategies |
|  |  |  |  |  |  |
|  |  |  |  |  |  |
|  |  |  |  |  |  |

**[Proposal owner]**

[Contact details]

[Contact details]

[Contact details]