# Drafting guidance

*[DRAFTING GUIDANCE: This document can serve a number of purposes, depending on your project size, complexity, and funding source.*

* *Business-as-usual – There is* ***no*** *need to use this template, please complete the* [***project prioritisation confirmation template***](https://www.vic.gov.au/tafe-toolkit-confirming-your-project-priority) *instead;*
* *Low complexity – This template can be used or modified to seek internal funding from your organisation’s board and/or other relevant sub-committees, and therefore may serve as the final funding submission for the project. In this case, sections should include sufficient detail and include items such as cost plans, programs, risk registers, and delivery strategy (including the procurement model), etc. as appendices. For low complexity projects that form part of an approved externally funded program of works, there is* ***no*** *need to use this template, please complete the* [***project prioritisation confirmation template***](https://www.vic.gov.au/tafe-toolkit-confirming-your-project-priority) *instead; or*
* *Medium and High Value-High Risk (HVHR) – This template can be used or modified to seek board endorsement and financial approval to develop a preliminary or full business case in accordance with government requirements, including approvals to engage expert consultant support as required.*

# Approval Form

*[This section provides space for you to clearly articulate your requests from your organisation’s board. The board should indicate their approval status and any conditions of approval next to your requests. You may wish to delete this section if your board committee requires you to use a specific approval template.]*

The organisation’s [relevant approval body / individual] approves / recommends the following actions:

|  |  |  |  |
| --- | --- | --- | --- |
| Request | Description | Approval Status | Conditions of Approval |
| Request 1 | *[Description of Request]* | {Please Select} | *[To be Completed by Board]* |
| Request 2 | *[Description of Request]* | {Please Select} | *[To be Completed by Board]* |
| Request 3 | *[Description of Request]* | {Please Select} | *[To be Completed by Board]* |
| Request 4 | *[Description of Request]* | {Please Select} | *[To be Completed by Board]* |
| Signed by: | **Signed by:** |
| Name: | *[First Name Last Name]* |  | **Name:** | *[First Name, Last Name]* |
| Position: | *[Position]* |  | **Position:** | *[Position]* |
| Signature: | *[Sign Here]* |  | **Signature:** | *[Sign Here]* |
| Date: | *[dd-mmm-yy]* |  | **Date:** | *[dd-mmm-yy]* |

# Introduction

*(1 page)*

*[This section should provide a general brief introducing the project* *and outline the objectives of this document. Examples of this could include:*

*“This internal funding document aims to seek funding for the development of …”*

*Or*

*“This internal approval document aims to seek endorsement for the development of a business case to address …”]*

# Problem definition

*(1 page)*

*[This section should summarise the problem(s) identified including any background on the problem(s). Problems should be expressed in a “problem statement” – e.g. “The current kitchen facilities at our TAFE do not have the latest kitchen technology used by industry preventing our graduates from gaining the relevant skills required by future employers, impacting the likelihood of successful job placements.”*

*For each problem statement, you should provide evidence to confirm the cause and effect of the problem.*

*Evidence can be quantitative and/or qualitative and should be objective, and where possible based on factual data or research. If you are using this template as a final internal funding documentation, you may wish to include detailed evidence as an attachment, otherwise high-level commentary with this section is acceptable when requesting to undertake a business case.]*

## The urgency to address the problem

*(0.5-1 page)*

*[This section should explain when the problem(s) need(s) to be addressed.*

*Common timing drivers may include:*

* *Physical or capacity limits will be reached;*
* *Significant reductions in the level of service (quality/quantity) will be experienced;*
* *Failure to meet specific government commitments or legislative requirements;*
* *Requirement for urgent action at additional cost due to asset failure or unexpected maintenance;*
* *Any dependencies with related service requirements; or*
* *Government funding cycle (for externally funded projects).]*

# Benefits

*(1 page)*

*[This section should describe key benefits arising from addressing the problem(s) including:*

* *Beneficiaries; and*
* *How benefits will arise from solving the problems.*

*You should explain the benefits which will flow from solving the problem as well as potential risks of not investing to address the problem(s).*

*Benefits can be qualitative (better student outcomes) and quantitative (reduced costs, increased revenue), and should include measurable indicators to support future reporting of benefits realisation]*

# Response options

*(1-2 pages)*

*[For each of the response options, this section presents analysis on the following:*

* *Benefits [consider the inclusion of an investment logic map within attachments];*
* *Risks [consider the inclusion of a risk register within attachments];*
* *Dependencies [consider the inclusion of a scenario analysis for various dependencies within attachments];*
* *Constraints; and*
* *Project schedule including key milestones across the procurement and delivery phases [consider the inclusion of a project timeline within attachments].*

*Options could include:*

* *A base case option of inaction;*
* *Maintenance;*
* *Expansion;*
* *New-build;*
* *IT solution;*
* *Demand management (non-asset solution); or*
* *Refurbishment / repurposing.*

*It is important at this stage to be very clear about what each project option includes and excludes, and what each option delivers as an outcome. It is also important to consider and document any assumptions or constraints of each project option.*

*You may wish to outline this detail in a table similar to the one below:]*

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Option | Option 1 (Base Case) | Option 2 | Option 3 | Option 4 |
| Description | *[Description]* | *[Description]* | *[Description]* | *[Description]* |
| Benefits | *[Benefits]* | *[Benefits]* | *[Benefits]* | *[Benefits]* |
| Risks | *[Risks]* | *[Risks]* | *[Risks]* | *[Risks]* |
| Dependencies | *[Dependencies]* | *[Dependencies]* | *[Dependencies]* | *[Dependencies]* |
| Constraints | *[Constraints]* | *[Constraints]* | *[Constraints]* | *[Constraints]* |
| Project Schedule | *[Project Schedule]* | *[Project Schedule]* | *[Project Schedule]* | *[Project Schedule]* |

## Financial analysis

*(1-2 pages)*

*[This section presents the high-level detail of the capital and operational costs and revenues associated with each of the response options.*

*Costs should be based on a broad understanding of the scope of works entailing new, alteration, external and any major service or site-specific issues including property acquisition.*

*Depending on the extent of information available, cost information should be based on data gathered from other similar projects or as prescribed by a quantity surveyor if engaged. All assumptions should be clearly sourced and labelled. Guidance on developing cost plans can be found* [***here***](https://www.vic.gov.au/tafe-toolkit-cost-planning)*.]*

|  |  |  |  |
| --- | --- | --- | --- |
| Option | Upfront Capital Expenditure | Ongoing Annual Operating Costs | Uplift in Operating Revenue |
| Option 1 (Base Case) | *[$]* | *[$]* | *[$]* |
| Option 2 | *[$]* | *[$]* | *[$]* |
| Option 3 | *[$]* | *[$]* | *[$]* |
| Option 4 | *[$]* | *[$]* | *[$]* |

# Assessment

*(1-2 pages)*

*[This section should outline a range of evaluation criteria which will be used to assess each of your identified response options including the base case of inaction.*

*Assessment criteria may relate to the objectives of the project and organisation where the achievement of these objectives will differ between options and may include assessments relating to:*

* *Ability to meet organisational / project strategic objectives fit;*
* *Deliverability;*
* *Schedule;*
* *Risk;*
* *Cost; and*
* *Economic, social and environmental outcomes.*

*You may find it useful to evaluate the options by ranking, or score the evaluation using a table similar to the one below:]*

|  |  |  |  |
| --- | --- | --- | --- |
| Option | Criteria 1 | Criteria 2 | Criteria 3 |
| Option 1 (Base Case) | *[Rank/Score]* | *[Rank/Score]* | *[Rank/Score]* |
| Option 2 | *[Rank/Score]* | *[Rank/Score]* | *[Rank/Score]* |
| Option 3 | *[Rank/Score]* | *[Rank/Score]* | *[Rank/Score]* |
| Option 4 | *[Rank/Score]* | *[Rank/Score]* | *[Rank/Score]* |

# Proposed solution

## Confirmation of proposed solution

*(1 page)*

*[Provide an overview of your proposed solution as outlined in your* ***Section 5. Assessment****.]*

## Confirmation of procurement model

*(1 page)*

*[Provide an outline of your rationale for your selected procurement model. You may wish to include a pros and cons analysis of procurement options as an attachment. Guidance on the different types of procurement models can be found* [***here***](https://www.vic.gov.au/tafe-toolkit-selecting-procurement-model)*.*

## Timeframes

*(1-2 pages)*

*[Provide an outline of your proposed delivery timelines. You may wish to include a project timeline as an attachment.]*

## Risk analysis

*(1-2 pages)*

*[Investigate key project risks and dependencies. You may wish to include a risk register as an attachment.]*

## Governance and resourcing

### Project team

*[This section should outline your proposed project team for the project, you may wish to include diagrams outlining key roles and responsibilities within the team.]*

### Resourcing

*[This section should outline your proposed resources required to complete the project successfully. Depending on your capability and capacity of your in-house staffing resources, you may wish to* [***engage a consultant***](https://www.vic.gov.au/tafe-toolkit-use-specialised-consultants) *to assist you in developing a thorough and convincing case for investment.]*

### Governance

*[This section should outline your proposed view on the governance structure for the project, you may wish to include diagrams to display these structures. Examples of governance structures can be found* [***here***](https://www.vic.gov.au/tafe-toolkit-governance-structures)*.]*

# Funding requirements

*(0.5-1 page)*

*[This section should outline your funding requirements relevant to the delivery of the preferred solution and / or the engagement of consultants (if applicable) to assist you in further investigating the case for investment via a preliminary or full business case.]*

# Recommendations and next steps

*(0.5-1 page)*

*[This section should summarise the identified problem, the preferred option to address the problem, including the rationale for this option being preferred and the next steps to progress the recommendation.]*

Attachments

*[Attachments can be used to provide additional detail and are usually required if you are using this template to request internal funding for a project.]*

# Detailed evidence

*[This section should contain detailed evidence supporting your problem(s) outlined in* ***Section 3. Problem definition and evidence****.*

*Evidence can be quantitative and/or qualitative and should be objective, and where possible based on factual data or research.]*

# Investment logic map

*[Where appropriate, you may wish to undertake an investment logic workshop. Guidance on what to include in an investment logic map can be found* [***here***](https://www.dtf.vic.gov.au/investment-management-standard/facilitator-guidance-and-templates)*.]*

# Risk register

*[Guidance on what to include in a risk register can be found* [***here***](https://www.vic.gov.au/tafe-toolkit-managing-risk)*.]*

# Dependencies

*[This section should contain an analysis of various likely scenarios for key project dependencies to demonstrate the effect of changes in these dependencies on the viability of the project.]*

# Project timeline

*[This section should contain a project timeline outlining key milestones across the procurement and delivery phases.]*

# Procurement options analysis

*[This section should contain an analysis of various procurement models, and clearly demonstrate why the preferred procurement model is most suitable for this specific project. You may wish to present this in a table similar to the one below:]*

|  |  |  |  |
| --- | --- | --- | --- |
| Procurement Model | Strengths | Limitations | Rank/Score |
| *[Procurement Model 1]* | *[Strengths]* | *[Limitations]* | *[Rank/Score]* |
| *[Procurement Model 2]* | *[Strengths]* | *[Limitations]* | *[Rank/Score]* |
| *[Procurement Model 3]* | *[Strengths]* | *[Limitations]* | *[Rank/Score]* |

*[Guidance on the different types of procurement models can be found* [***here***](https://www.vic.gov.au/tafe-toolkit-selecting-procurement-model)*.]*