[Proposal name]

Short-form assessment

[Month and year (for example, June 2024)]

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| About this template  Purpose  A short-form assessment is a succinct document that explains why a proposal is required, and why it should be funded compared to other priorities and options.  It follows the general principles of a business case, including setting out a case for change, options, risks, costs, and identification of benefits.  It is required for proposals valued at or above $10 million that do not require a business case. That is:   * recurrent proposals with a total cost at or above $10 million and below $20 million (over the forward estimates) * capital proposals with a total cost at or above $10 million and below $20 million (over 10 years) or that are rated as Tier 4 under the [Infrastructure Investor Assurance Framework](https://www.infrastructure.nsw.gov.au/media/ptafumpl/iiaf-december-2023.pdf) * digital proposals with a total cost at or above $10 million (over 10 years) that are rated as tier 4 under the [digital assurance framework.](https://www.digital.nsw.gov.au/policy/digital-assurance/about-digital-assurance-framework)   How to use  The template should be completed by agencies using existing data and evidence, tailored to the cost and risk of the proposal.  The submission for new measures[[1]](#footnote-2) template is required for all measures submitted as part of the Budget and is printed for ministers in ERC. It should include a summary of information contained in a short-form assessment or business case.  Table 1: Blue vs pink boxes   |  |  | | --- | --- | | **Blue boxes** | Provides guidance on how to complete the template. | | **Pink boxes** | Include questions and tips. Delete pink boxes when finalising the short-form assessment. | |

# Proposal details

Background

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| --- | --- | --- |
| **Agency** | [Insert agency name] | |
| **Proposal name** | [Insert proposal name] | |
| **Proposal type** | [Capital / Recurrent / Recurrent including capital] | |
| **Proposal location** | [Insert location (for example, rural, regional, remote NSW)] | |
| **Budget result** | [$ million (4 year)] | [$ million (10 year)] |
| **Total cost** | [$ million (4 year)] | [$ million (10 year)] |
| **Net lending** | [$ million (4 year)] | [$ million (10 year)] |
| **Delivery timeframe** | [Insert an estimated start and end date. For example, month and year.] | |
| **Gateway framework** | [Infrastructure Investor Assurance Framework (IIAF) / Digital Assurance Framework (DAF) / Recurrent Expenditure Assurance Framework (REAF)] | |
| **Gateway registration** | [Not Registered / Registered] | |
| **Risk tier** | [Tier 1 / Tier 2 / Tier 3 / Tier 4] [self-assessed / endorsed] | |
| **Gateway review status** | [Provide details of completed Gateway reviews.] | |
| **Election commitment** | [Yes / No] [Please provide details (if any).] | |
| **Federal funding** | [Yes / Partial / No] [Please provide details (if any).] | |

Document control

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| --- | --- | --- | --- |
| Revision date | Changes made | Author | Version No. |
| [Insert text here.] |  |  |  |
|  |  |  |  |

Senior responsible officer endorsement

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| **Endorsement by senior responsible officer or equivalent:** | | | |
| Name | [Insert text here.] | Contact details | [Insert text here.] |
| Comments | [If any] | Date reviewed | [Insert text here.] |
| Commence to business case development: | | Yes  No | |

# Case for change

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| Key questions |
| * What is the proposal? * What problem or opportunity does the proposal address? * What are the objectives of the proposal? * How will the proposal directly contribute to government priorities? * How does the proposal address stakeholder concerns? * How will the proposed intervention lead to the intended outcomes and objectives? |

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| Quick tips  Keep this section to two pages. |

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| **Proposal description**  [Include a short description of the proposal, including:   * who is seeking funding and how much funding is being sought * what process is the funding being sought through (for example, Budget) * what the funding will be used for and the intended outcomes.] |
| **Problem or opportunity**  [Define the problem or opportunity and explain:   * its cause (including any interdependencies), effect, importance and urgency * who it is intended to assist * why NSW Government intervention is needed * why existing initiatives[[2]](#footnote-3) are insufficient] |
| **Objectives**  [Clearly define what the proposal aims to achieve. Objectives must be:   * stated in terms of the desired outcomes * well-defined * measurable (if possible) or subject to verification * limited in number.] |
| **Strategic context**  [Explain why the proposal is a priority. Reference key Cabinet-endorsed strategies, policies or election commitments.] |
| **Stakeholders**  [Identify key stakeholders, their needs and concerns, and how these have been incorporated into the proposal or will be managed during delivery.  Key stakeholders may include government agencies, industry, unions, local communities, service users, local councils and delivery teams.  For proposals that impact First Nations people and communities refer to the [First Nations Investment Framework (TPG24-28).](https://www.treasury.nsw.gov.au/documents/tpg24-28-first-nations-investment-framework)] |
| **Logic model[[3]](#footnote-4)**  [Provide a high-level logic model that outlines how the proposal will lead to the intended outcomes.] |

# Options analysis

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| Key questions |
| * What is the business-as-usual (base case) scenario? * What alternative options could address the problem? * What are the main costs and benefits of alternative options? * Who will benefit? Will some groups benefit more (or less) than others? * What is the preferred option and why? |

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| **Business as usual**  [Describe what is likely to occur if the proposal does not proceed.  Consider long term trends, impacts of existing policies, and realistic steps that would be taken to mitigate the problem.] |
| **Options**  [Identify a range of realistic options that meet the proposal’s objectives.  This could be variations in scale, scope, timing, staging or delivery mechanism. Include a minimum of two options in addition to a base case scenario.  Consider non-build and minimum viable products on an if-not-why-not basis.] |

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| Quick tips  Table 2: Definitions of costs and benefits   |  |  | | --- | --- | | **Resource costs** | Costs incurred by NSW entities (primarily, but not exclusively, NSW Government) to deliver the proposal (capital and operating costs). | | **Benefits (or disbenefits)** | Benefits are an increase in welfare associated with a proposals’ economic, social, environmental and cultural outcomes. Benefits can be monetary or non-monetary.  Disbenefits are reductions in welfare, such as increased travel times, compliance costs or pollution. |   For more information on costs and benefits, refer to the [CBA Guide (TPG23-08)](https://www.treasury.nsw.gov.au/finance-resource/guidelines-cost-benefit-analysis). |

Table 3: Assessment of expected resource costs and benefits ($[20XX], real)[[4]](#footnote-5)

| **Resource costs** | **Option 1** | **Option 2** | **Option 3** |
| --- | --- | --- | --- |
| **[Category 1 (for example, operational costs, maintenance costs, construction costs, staffing costs)]** | [Provide a quantitative cost estimate] |  |  |
| **[Category 2]** |  |  |  |
| **Benefits (and disbenefits)** | **Option 1** | **Option 2** | **Option 3** |
| **[Category 1 (for example, travel time savings, reduced carbon emissions, improved health outcomes)]** | [Provide a quantitative estimate where available. Some examples:   * Travel time worth $10 million per year * 5,000 people with disabilities will benefit from accessibility * 300 more people will be housed, 10,000 people visit this refurbished park.   Where quantitative data is not available provide a qualitative assessment.] |  |  |
| **[Category 2]** |  |  |  |

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| **Critical assumptions** | [What critical assumptions underpin assessment of resource costs and benefits and what evidence supports the assumptions? For example, demand forecasts or timing of uncertain events.  Would changes to these assumptions impact on the decision?] |
| **Distributional analysis** | [Explain who will be impacted by the proposal.  Do impacts vary between cohorts?  Are there disproportionate impacts on priority groups, for example, First Nations, women, men and gender diverse people[[5]](#footnote-6)] |

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| **Preferred option**  [Comprehensively define a preferred option and explain why it is preferred over other options.] |

# Financial analysis

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| Key questions |
| * What impact does the proposal have on government finances? |

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| Quick tips  Financial impact statement (FIS) is required for the preferred option only.  The FIS underpins a request for funding. It is required for all proposals and must reflect the expenditure that ERC is being asked to approve.  It should be completed on an escalated basis using the inflation numbers included in the economic parameters published in the most recent Budget or Half-Year Review.  An eliminated FIS should be prepared along with an uneliminated FIS where there are intragovernmental transfers between agencies. Eliminated data excludes intergovernmental transfers.  Additional guidance on presenting financial information can be found in the [Cabinet Submission Guidelines (PDF 824.12KB).](https://www.nsw.gov.au/sites/default/files/2024-06/Cabinet%20Submission%20Guidelines.pdf) |

Table 4: Financial impact statement

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| --- | --- | --- | --- | --- | --- | --- |
|  | Current year | Forward years 1[[6]](#footnote-7) | Forward year 2 | Forward year 3 | Forward year 4 | Planning years[[7]](#footnote-8) |
| **Revenue** |  |  |  |  |  |  |
| **Expense** |  |  |  |  |  |  |
| New policy |  |  |  |  |  |  |
| Offset (if applicable) |  |  |  |  |  |  |
| Depreciation (if applicable) |  |  |  |  |  |  |
| **Budget result** |  |  |  |  |  |  |
| **Capital expenditure** |  |  |  |  |  |  |
| New capital expense |  |  |  |  |  |  |
| Offset (if applicable) |  |  |  |  |  |  |
| **Net lending** |  |  |  |  |  |  |
| Net debt (cumulative) |  |  |  |  |  |  |

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| [Outline any other relevant financial issues (for example, alternative funding sources or cost recovery).] |

# Risk analysis

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| Key questions |
| * What risks does a decision maker need to be aware of? * What mitigation actions (if any) are needed? * After mitigation actions, what is the residual (remaining) risk rating? |

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| Quick tips  Key risks  Focus on risks that:   * are beyond risk tolerance (the readiness to bear risk) * may materially affect benefits or costs * may result in intended benefits not being delivered * are otherwise of interest to decision makers (for example, significant reputational risks).   Consider redesigning options – or developing new options – to avoid or reduce risk.  A separate summary of key risks is not required for each option but where risk levels or treatment differs across options it should be clearly documented.  Categories of risks  Table 5: Categories of risks   |  |  | | --- | --- | | **Risk category** | **Example(s)** | | Increased cost | Higher construction costs than forecast | | Lower benefits | Actual use of a new train line is lower than forecast | | External | Climate change, disasters or technological disruption | | Management and governance | Legal and compliance risk | | Flow on impacts | Displacement and reputational risk |   Refer to Appendix D of the [Business Case Guidelines (TPG24- 29)](https://www.treasury.nsw.gov.au/information-public-entities/centre-for-echttps:/www.treasury.nsw.gov.au/information-public-entities/centre-for-economic-evidence/nsw-business-case-policy-and-guidelinesonomic-evidence/nsw-business-case-policy-and-guidelines).  Residual risk rating  Table 6: Residual risk rating matrix   |  |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | --- | |  | **Consequence** | | | | | | | **Likelihood** |  | Level 1 – insignificant | Level 2 – minor | Level 3 – moderate | Level 4 – major | Level 5 - extreme | | 1 – rare | low | low | low | medium | medium | | 2 – unlikely | low | low | low | medium | high | | 3 – possible | low | medium | medium | medium | high | | 4 – likely | low | medium | medium | high | very high | | 5 – almost certain | medium | medium | high | very high | very high | |

Table 7: Summary of key risks

| **Risk name** | **Description** | **Mitigation actions** | **Residual risk rating[[8]](#footnote-9)** |
| --- | --- | --- | --- |
| [Unique risk name.] | [Describe the nature of the risk.] | [Can the risk be treated. If so, describe the strategy. If not, why?] | Choose an item. |
|  |  |  | Choose an item. |

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| **Residual risks**  [Outline any key residual risks and how they will be managed.] |

# Monitoring and evaluation approach

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| Key questions |
| * How and when will the proposal be monitored and evaluated? Who will be responsible and how will it be resourced? |

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| Quick tips  Proposals seeking $10 million or more in funding are required to include high-level monitoring and evaluation planning under either a monitoring and evaluation framework or benefits management framework.  This requirement is set by the [Evaluation Guidelines (TPG22-22)](https://www.treasury.nsw.gov.au/finance-resource/evaluation-policy-and-guidelines) and [Business Case Guidelines (TPG24-29).](https://www.treasury.nsw.gov.au/information-public-entities/centre-for-economic-evidence/nsw-business-case-policy-and-guidelines) |

Table 8: Summary of high-level monitoring and evaluation plan

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| Data fields | Monitoring and evaluation plan[[9]](#footnote-10) |
| **Type of monitoring framework** | [Monitoring and evaluation framework / Benefits management framework] |
| **Type of evaluation** | [Process / Outcome / Economic] |
| **Evaluation purpose and scope** | [Briefly describe the purpose of the evaluation and scope of monitoring and evaluation activities.] |
| **Senior responsible officer (SRO) or equivalent for the evaluation** | [Name, job title, agency and contact details] |
| **Evaluation schedule** | [When the initiative will be evaluated, or when evaluation timing will be decided.] |
| **Resourcing plan** | [Identify required resources for monitoring and evaluation.  Identify if resources have:(a) been incorporated into the  business case; (b) funding separately set aside; or (c)  include a plan for when resourcing will be determined and  obtained.] |

# Delivery timeframes

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| Key questions |
| * When will the proposal be delivered? * What (if any) delivery issues need to be highlighted to inform decision-making? |

Table 9: Proposed delivery schedule[[10]](#footnote-11)

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| --- | --- | --- | --- | --- |
| Key milestone | Phase | Description | Start date | Completion |
| [Insert text.] |  |  |  |  |

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| Quick tips  Potential delivery issues to consider include (but are not limited to):   * Potential suppliers or delivery agency not having the capability or capacity to deliver the proposal. Consider required cultural or place-based knowledge. * Major compliance issues or legislative requirements. * Unusual governance arrangements.   Delivery issues may also be reflected in the risk analysis. |

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| **Significant delivery issues**  [Outline any significant delivery issues.] |

1. [Cabinet template and resources](https://www.nsw.gov.au/departments-and-agencies/the-cabinet-office/resources/templates-and-resources), NSW Government website. [↑](#footnote-ref-2)
2. An initiative is a proposal that has been progressed by Government or has been delivered. Initiatives can refer to projects, programs, policies or regulations. [↑](#footnote-ref-3)
3. For information on how to develop a logic model refer to [Evaluation Workbook 1](https://www.treasury.nsw.gov.au/finance-resource/guidelines-program-evaluation/workbooks). [↑](#footnote-ref-4)
4. For example, $2025, real   [↑](#footnote-ref-5)
5. Where relevant complete impact assessments. They sit alongside the business cases in supporting decision-makers and advisors when assessing a proposal. Refer to the [Gender Impact Assessment Policy (TPG23-27)](https://www.treasury.nsw.gov.au/sites/default/files/2023-12/tpg23-27_gender-impact-assessment-policy.pdf) and [the First Nations Impact Assessment Policy (TPG24-26).](https://www.treasury.nsw.gov.au/supporting-first-nations-people-and-communities/tpg24-26-first-nations-impact-assessment-policy#:~:text=TPG24-26%20First%20Nations%20Impact%20Assessment%20Policy%20provides%20directions,measures.%20Read%20TPG24-26%20First%20Nations%20Impact%20Assessment%20Policy.) [↑](#footnote-ref-6)
6. Also referred to as budget year. [↑](#footnote-ref-7)
7. Split into columns based on the number of planning years. A total column can be added to the right of the table. [↑](#footnote-ref-8)
8. Refer to Table 6: Residual risk rating matrix. [↑](#footnote-ref-9)
9. High-level monitoring and evaluation planning provides decision makers with confidence that there has been adequate considerations on the scopes, responsibilities and resourcing required for evaluation. Detailed evaluation planning for project management purposes are not required for a business case. [↑](#footnote-ref-10)
10. Delete Table 8 if the delivery schedule is presented in a different format. The proposed delivery schedules can be presented in a format that is preferred by the agency (for example, a table or as a Gantt Chart). [↑](#footnote-ref-11)