[Initiative name]

Benefits management plan

[Click here to enter a Date]

|  |
| --- |
| About this templatePurposeA benefits management plan establishes a framework, roles and responsibilities for managing benefits through the lifecycle of an initiative. This template sets out best practice and key considerations for benefits management. It is not mandatory and may be adjusted as appropriate to the context, cost and risk of the initiative. Use this template with the guidance in [TPG24-31 Benefits Management Guide.](https://www.treasury.nsw.gov.au/preview-link/node/14681/3f5aadef-52e5-4dd8-b34f-cc9892aaa6c7)When to useEffective benefits management starts before implementation of the initiative. But you can wait until after investment decision to create a complete benefits management plan. You can use some components of the business case in the benefits management plan. Refer to the [business case guidelines and templates](https://www.treasury.nsw.gov.au/information-public-entities/centre-for-economic-evidence/nsw-business-case-policy-and-guidelines) for further details about requirements for monitoring and evaluation planning during a business case. The [benefits register template](https://www.treasury.nsw.gov.au/preview-link/node/14681/3f5aadef-52e5-4dd8-b34f-cc9892aaa6c7) or a similar monitoring tool should be completed and periodically updated alongside the benefits management plan. How to usePink boxes provide guidance (quick tips and checklists) to help you fill out the template. Delete these boxes to finalise the plan.Text in square brackets provides additional contextual information to assist with completion that should be deleted once plan is finalised. Other text and blue tables should be adapted as appropriate to the initiative. Related policies and templates* [Benefits Management Guide (TPP24-31)](https://www.treasury.nsw.gov.au/preview-link/node/14681/3f5aadef-52e5-4dd8-b34f-cc9892aaa6c7)
* [Business Case Guidelines (TPG24-29)](https://www.treasury.nsw.gov.au/information-public-entities/centre-for-economic-evidence/nsw-business-case-policy-and-guidelines%22%20%5Ct%20%22_blank)
* [Evaluation Guidelines (TPG22-22)](https://www.treasury.nsw.gov.au/finance-resource/evaluation-policy-and-guidelines%22%20%5Ct%20%22_blank)
* [Cost Benefit Analysis Guide (TPG23-08)](https://www.treasury.nsw.gov.au/information-public-entities/centre-for-economic-evidence/guidelines-cost-benefit-analysis%22%20%5Ct%20%22_blank)
* [First Nations Investment Framework](https://www.treasury.nsw.gov.au/documents/tpg24-28-first-nations-investment-framework) (TPG24-28)
* [NSW Gateway Policy (TPG22-12)](https://www.treasury.nsw.gov.au/documents/tpg22-12-nsw-gateway-policy)
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Contents

[About this template 2](#_Toc188971533)

[Initiative details 4](#_Toc188971534)

[1 Initiative description 5](#_Toc188971535)

[1.1 Overview 5](#_Toc188971536)

[1.2 Logic model 5](#_Toc188971537)

[1.3 Variation from business case 5](#_Toc188971538)

[2 Benefits and KPIs 6](#_Toc188971539)

[2.1 Baseline measures and target KPIs 6](#_Toc188971540)

[2.2 Benefits measurement 6](#_Toc188971542)

[3 Benefits governance 8](#_Toc188971543)

[3.1 Roles and responsibilities 8](#_Toc188971544)

[3.2 Stakeholder engagement 11](#_Toc188971545)

[4 Risk management 11](#_Toc188971546)

[4.1 [Optional] Real options analysis 11](#_Toc188971547)

[4.2 Benefits risk register 12](#_Toc188971548)

[4.3 Initiative interdependencies and dependencies 14](#_Toc188971549)

[4.4 Variation management 14](#_Toc188971550)

[5 Review and reporting 14](#_Toc188971551)

[5.1 Benefits review schedule 14](#_Toc188971556)

[5.2 Benefits reporting 15](#_Toc188971558)

[6 Benefits handover or close approach 16](#_Toc188971559)

[6.1 Benefits handover process 16](#_Toc188971564)

[[Attachments] 17](#_Toc188971565)

Initiative details

Background

|  |  |
| --- | --- |
| Agency name | [Insert agency name] |
| **Sponsor name and contact details** | [Insert sponsor name and contact details (for example, Jane Doe, NSW Treasury, 02 9876 5432)] |
| **Initiative name** | [Insert initiative name and Prime ID] |
| **Initiative type** | [Capital / Recurrent / ICT / Combination] |
| **Total cost** | [$ million (4 year)] | [$ million (10 year)] |
| **Delivery month and year** | [Insert deliver timeframe (for example, June 2024)] |
| **Initiative location** | [Insert location (for example, rural, regional, remote NSW)] |

For more information on Prime see [Prime: a new IT solution | NSW Treasury](https://www.treasury.nsw.gov.au/budget-financial-management/reform/prime-new-it-solution)

Evaluation

|  |  |
| --- | --- |
| Type of evaluation planned  | [Process / Outcome / Economic] |
| **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] |

Document control

|  |  |  |  |
| --- | --- | --- | --- |
| Revision month and date | Changes made | Author | Version No. |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

# Initiative description

## Overview

[Reference the business case to avoid repetition. Focus on any variations from the preferred option presented in the business case.]

|  |  |
| --- | --- |
| Checklist | Completed |
| * Provide a brief overview of the initiative.
 | [ ]  |

## Logic model

[A logic model visually sets out the relationship between problem, initiative inputs, outputs, outcomes and benefits. A logic model should be developed with the involvement of stakeholders with detail scaled to cost and complexity.]

[For guidance on logic models, refer to [Evaluation Workbook 1](https://www.treasury.nsw.gov.au/sites/default/files/2023-02/202302-evaluation-workbook-i-foundations-for-evaluation.pdf).]

|  |  |
| --- | --- |
| Checklist | Completed |
| * Insert or attach a completed logic model.
 | [ ]  |

## Variation from business case

[Detail any differences between the investment decision and preferred option presented in the business case, such as:

* adjustments to scope, timeline or resources
* any new objectives or priorities
* adjustments to the logic model
* additional reporting requirements.]

[Note any changes that impact information presented in the high-level monitoring and evaluation plan or KPIs set in the business case.]

Table 1: Changes to target KPIs established in the business case

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Benefit | Baseline measures | Previous target KPI | New target KPI | Reason for change |
| [Increased tourism] | [5,000 tourists per month] | [7,000 tourists per month] | [6,000 tourists per month] | [ERC decides on higher tourist tax] |
|  |  |  |  |  |

|  |  |
| --- | --- |
| Checklist | Completed |
| * Detail any changes to KPIs.
 | [ ]  |

# Benefits and KPIs

## Baseline measures and target KPIs

[Record baseline and target KPIs for key benefits in the benefits register.]

[Refer to the cost benefit analysis to prioritise benefits for monitoring.]

Benefits register

The benefits register provides an overview of benefits managed, measures, data sources, KPIs, targets and reporting frequency. The below table provides a snapshot of key benefits from the register.

[The [benefits register template](https://www.treasury.nsw.gov.au/preview-link/node/14681/3f5aadef-52e5-4dd8-b34f-cc9892aaa6c7) or another equivalent tool may be used for capturing information.]

Table 2: Benefits register snapshot

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Benefit | NSW Outcome mapping | Baseline measure | Target KPI | Target KPI methodology | Timing | Target date |
| [Increased tourism] | [Vibrant and diverse economy] | [5,000 tourists per month] | [6,000 tourists per month] | [ABS data] | [Quarterly from implementation] | [Q4 2025] |
|  |  |  |  |  |  |  |

## Benefits measurement

Data sources and collection processes

[Insert text]

Assumption and constraints

Table 3: Assumptions and constraints

|  |  |  |
| --- | --- | --- |
| Benefit affected | Data source | Assumption or constraint |
| *Example* |  | [For example, resource availability, environmental factors, technology, security] |
|  |  |  |

Data assurance

[Describe how data and its interpretation will be assured by periodic independent checks. ‘Independent’ can mean a team internal to government with separate reporting lines and a level of independence from the delivery team.]

Table 4: Data assurance

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Check period | Assurance team | Data assured | Assurance method (if known) | Reporting line |
| [Initial, mid-term or other] | [Internal audit team] | [Additional tourists, non-NSW residents] | [Random sampling, data validation] | [Reports to Deputy Secretary independent from project team] |
|  |  |   |  |  |

|  |  |
| --- | --- |
| Checklist | Completed |
| Establish the baseline and target KPIs for key benefits. | [ ]  |
| Identify data sources and data collection processes. | [ ]  |
| Identify assumptions underpinning expected benefits and constraints which could limit their realisation. | [ ]  |

# Benefits governance

## Roles and responsibilities

Table 5: Benefits governance roles and responsibilities [Adapt as appropriate to the initiative]

|  |  |  |
| --- | --- | --- |
| Role | Responsibilities | Designated person(s) |
| Sponsor | * Ensuring that the program meets its objectives and delivers the projected benefits.
 |  |
| Benefit owner | * Identification and development of the program benefits.
* Ensuring that benefits are measured, not compromised due to scope changes and realised over the life of the program.
* Responsible to the benefit sponsor for all development and delivery activities.
 |  |
| Benefit manager | * Ensuring the consistent application and development of benefits management strategy, documents and process within a portfolio.
* Supporting benefit owners and sponsors in understanding and managing benefits.
* Collaborating with stakeholders to identify and define benefits that align with portfolio priorities and objectives.
* Quantifying and prioritising benefits, establishing metrics and targets for benefit realisation.
* Tracking and monitoring of benefits realisation. Informing project managers of lessons learnt from similar or dependent projects.
 |  |

Table 6: High-level RACI chart [Adapt as appropriate to the initiative]

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Activity | Responsible | Accountable | Consulted | Informed |
| **Understand** | Develop logic model  | *e.g. Project manager* | *e.g. Sponsor* | *e.g. Operations manager* | *e.g. Project team*  |
| Define and categorise benefits |  |  |  |  |
| Develop benefits table |  |  |  |  |
| **Plan** | Update logic model |  |  |  |  |
| Identify data sources and measures |  |  |  |  |
| Develop benefits register |  |  |  |  |
| Develop benefits management plan |  |  |  |  |
| Incorporate benefits into the tender design criteria |  |  |  |  |
| **Manage and report****Manage and report** | Implement monitoring and tracking mechanisms |  |  |  |  |
| Update benefits register |  |  |  |  |
| Conduct periodic reviews to evaluate progress |  |  |  |  |
| Consult with benefits owners where corrective actions may be required |  |  |  |  |
| Prepare benefits reports |  |  |  |  |
| Implement actions (if any) from decision-makers such as the sponsor |  |  |  |  |
| Handover or close benefits  |  |  |  |  |

|  |  |
| --- | --- |
| Checklist | Completed |
| * Include a table identifying governance roles and responsibilities or a RACI chart.
 | [ ]  |

## Stakeholder engagement

[Note that stakeholder engagement should consider the broader program and portfolio context of the project.]

Table 7: Stakeholder engagement [Adapt as appropriate to the initiative]

|  |  |  |
| --- | --- | --- |
| Stakeholder or body | Scope | Benefits management role |
| Executive Board | Departmental program level | Aggregates agency’s benefits to maintain strategically balanced investment strategy. |
| Program level steering committee | Single program | Quarterly reports to monitor status of benefit management within program. |
|  |  |  |

|  |  |
| --- | --- |
| Checklist | Completed |
| Identify key stakeholders that will be part of the benefits management process. | [ ]  |

# Risk management

## [Optional] Real options analysis]

|  |
| --- |
| Quick tips |
| Planning for benefits should consider uncertainties that may affect their realisation. Real options analysis can be useful for some initiatives that have medium to long term implementation timeframes and are faced with significant uncertainties. Real options can increase flexibility to change course when uncertainties become clearer, for example by allowing for changes to scope, timing, staging, or even abandonment. For more on real options see the [Cost-Benefit Analysis Guide](https://www.treasury.nsw.gov.au/preview-link/node/14421/8358bbaf-4125-45a3-984e-f5f7f3cd546a) (Appendix 4.4). |

[Use the table below to:

Identify key uncertainties of the preferred option and their impacts on benefits realisation.

Outline key strategies to reduce uncertainty.

Summarise other options and their uncertainties.]

Table 8: Real options analysis

|  |  |  |  |
| --- | --- | --- | --- |
| Preferred option | Strategies to reduce uncertainty | KPI trigger | Review date |
| [Uncertainty 1] | [Insert text here.] |  |  |
|  |  |  |  |
|  |  |  |  |
| **Overall assessment of option**: [viable/needs adjustments/reconsider option/other][Add any comments.] |

|  |  |
| --- | --- |
| Checklist | Completed |
| * Develop real options where relevant and appropriate to the initiative.
 | [ ]  |

## Benefits risk register

|  |
| --- |
| Quick tips |
| The focus is on identifying the risks that may impact on the successful achievement of the benefits. Benefit risks should be included in the benefits management plan and managed as part of the initiatives overall risk management framework and register. Risks to benefits will change throughout the project’s life and should be reviewed regularly so mitigating actions can be updated and assigned. |

|  |  |
| --- | --- |
| Checklist | Completed |
| * Complete the benefits risk register table.
* Alternatively, integrate benefit risks into the overall initiative risk register and provide a link or attachment.
 | [ ]  |

Table 9: Summary of key risks to benefits template

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Name of risk  | Description | Benefit impacted | Benefit ID | Mitigation actions | Responsibility | Risk analysis |
| **Likelihood** | **Consequence (benefit priority)** | **Residual risk after mitigation** |
| Risks to benefits realisation | [Insert text here.] | [Insert text here.] | [Insert text here.] | [Insert text here.] |  | Choose an item. | Choose an item. | Choose an item. |
| Variations in forecasts |  |  |  |  |  | Choose an item. | Choose an item. | Choose an item. |
|  |  |  |  |  |  | Choose an item. | Choose an item. | Choose an item. |

Table 10: Risk rating matrix[[1]](#footnote-2)

|  |  |
| --- | --- |
|  | **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 |

## Initiative interdependencies and dependencies

|  |
| --- |
| Quick tips |
| Initiative dependency occurs within the internal environment of the initiative where tasks rely on each other for completion. In contrast, interdependency occurs when initiative success depends on the implementation or progress of other initiatives. As part of effective risk management, practitioners should identify and monitor these interdependencies and dependencies to see if tasks directly affect each other. |

Use bullet points or a diagram.]

|  |  |
| --- | --- |
| Checklist | Completed |
| * Include a summary of any interdependencies and dependencies.
 | [ ]  |

## Variation management

|  |
| --- |
| Quick tips |
| The variation management process should be integrated with project governance. Consider:• establishing triggers for action• the types of actions to be considered and key individual/team responsible for this• key decision-maker of the action, for example, steering committee. |

[Insert a summary in a table format or bullet points.]

|  |  |
| --- | --- |
| Checklist | Completed |
| * Explain how changes to benefits will be managed.
 | [ ]  |

# Review and reporting

## Benefits review schedule

|  |
| --- |
| Quick tips |
| Use either a regular reporting schedule or align review with key milestones. Reviews can be as simple as a one-to-one meeting between the Project Manager and the Benefits Owner or as Working Group updates. |

Periodic benefits reviews will:

* check progress against plan
* consider opportunities to enhance benefits or minimise disbenefits
* identify emerging benefits or disbenefits
* provide an update on real options (if relevant)
* respond to any other significant changes.

Table 11: Benefits review schedule

|  |  |  |  |
| --- | --- | --- | --- |
| Review type | Designated person(s) | Documents needed | Date of review |
|  |  |  |  |
|  |   |  |  |
|  |  |  |  |

|  |  |
| --- | --- |
| Checklist | Completed |
| Provide a schedule of when benefits will be reviewed and who will be responsible.  | [ ]  |

## Benefits reporting

|  |
| --- |
| Quick tips |
| Start planning for benefits reporting by considering the requirements in the report. See benefits report template for more guidance. |

[Specify reporting at key milestones or triggered by substantial variations in benefits during monitoring.]

|  |  |
| --- | --- |
| Checklist | Completed |
| * Outline how and when benefits will be reported from the benefits register.
 | [ ]  |

# Benefits handover or close approach

## Benefits handover process

This benefits handover plan supports continuity of benefits tracking over time by putting processes to support the transition of responsibilities for benefits reporting and tracking in place. If benefits are not realised and do not require handover, then records must be securely saved (for example, benefits register).

Documents that will be handed over include:

* updated logic model
* final business case plus addendums
* updated risk register
* reconciled actual costs and budgeted costs
* relevant lessons learnt to date.
* benefits register
* benefits reports

[Insert other relevant documents.]

[Complete the benefits handover plan table below.]

|  |  |
| --- | --- |
| Checklist | Completed |
| Include a summary of the handover process, risks and other key information using the handover plan table or an alternative format. | [ ]  |

Table 12: Benefits handover plan

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Milestone | Specific responsibility/ role  | Currently assigned to | Handed over to | Estimated handover date  | Communications plan |
| Milestone | Specific responsibility/ role  | Currently assigned to | Handed over to | Estimated handover date  | Communications plan |
|  |   |  |  |  |  |
|  |  |  |  |  |  |

[Attachments]

[Add relevant documents].

1. The risk rating matrix is used to assess risks according to its consequence and likelihood. Risks are assigned a risk rating of low, medium, high or very high. Higher priority benefits with a larger benefit impact from a risk would result in a higher consequence rating. Refer to Section 3.5 of the Business Case Guidelines for more information on risk analysis. [↑](#footnote-ref-2)