



MAJOR COMMUNITY INFRASTRUCTURE PROJECTS

1. PURPOSE

To:

- a. Provide a framework for major community infrastructure project evaluation at the City of Whitehorse.
- b. Provide Council with a reference point to a consistent better practice approach to major project development.
- c. Ensure rigorous business cases support proposed major capital works projects.

2. OBJECTIVES

Ensure Whitehorse meets its obligations for sound financial management under the Local Government Act 1989.

Provide a practical set of templates and guidelines which enable staff to effectively demonstrate major projects are soundly based, will deliver the proposed benefits and that they support the achievement of Council's service delivery objectives.

To define Council's expectations of the minimum required standard of assessment

To maximise planned benefits from major/high risk/high complexity projects.

Ensure all costs, risks, impacts and benefits are known prior to the commencement of major projects.

To meet external compliance and best practice guidance.

3. SCOPE

This policy applies to all Council staff and contractors to the Whitehorse City Council. Major projects are defined as Capital projects over \$10.0 million or more in value or have significant complexity.

4. POLICY

The purpose of the business case is to outline the rationale for undertaking the project, and to define the parameters and management factors involved in the project itself. It provides the tools to guide the design, management and evaluation of the project including Councillor briefing and review at major milestones.

The business case serves three purposes:

1. It provides the opportunity to think through the project in a systematic, step-by-step manner
2. Explains why the project should be undertaken
3. Provides a framework for completion of the project on time and on budget.

The business case is based on identified operational or strategic need and should detail and justify the baseline information about the project such as background, purpose, benefits, objectives and funding sources of the proposed project.

The business case requires Councillors and officers to carefully consider each proposed investment; the risks and cost effectiveness of alternatives; and how the proposed investment supports the sustainable delivery of effective council services.

Preliminary Assessment

Major community infrastructure projects require a preliminary assessment prior to project being assessed for further consideration. The preliminary assessment submission allows Council to make a well-informed judgement as to whether the project should proceed to preparation of a full business case and if to approve funding to prepare the business case.

Business Case

The business case process produces the case for the project, based on established community needs and an assessment of the project's likely costs, risks and measures of success. The business case includes comprehensive financial modelling of the whole of life for the proposed asset.

Major projects require a business case to be documented prior to project funding being approved and incorporated in Council's Capital Works Program at the next budget cycle.

5. RESPONSIBILITIES

Specific roles exist in relation to different elements of Council's Preliminary assessment and Business case templates. These are documented in the Major Projects Process Guide – Selection / Assessment / Implementation.

6. RELATED POLICIES & LEGISLATION

Major Projects Process Guide: User Guide

Major Projects Process Guide: Preliminary Assessment Template

Major Projects Process Guide: Business Case Template

Major Projects Process Guide: Financial Model

INTERNAL USE ONLY

7. REVIEW

Responsible Manager: General Manager Infrastructure, Head of Major Projects and Buildings.

Date Adopted: October 2013

Date Amended: August 2017

Date of Next Review: July 2018

This policy has been reviewed for Human Rights Charter compliance.