

# INVESTMENT MANAGEMENT STANDARD

## *Overview*

Version 3.5

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Department of Treasury and Finance

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This Overview document is part of the Investment Management Standard.

The publications in the 2009 series are:

*Overview*

*Problem Definition*

*Benefits Definition*

*Solution Definition*

*Business Case*

*Investment Reviews*

*Benefits Reports*

More information at: [www.dtf.vic.gov.au/investmentmanagement](http://www.dtf.vic.gov.au/investmentmanagement)

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## Abbreviations

BMP	Benefit Management Plan
DTF	Department of Treasury and Finance
ICB	Investment Concept Brief
ILM	Investment Logic Map
IMS	Investment Management Standard
KPI	key performance indicator
SRO	senior responsible owner

# 1 Introduction

## 1.1 About investment management

Investment management establishes a set of simple practices that allow an ‘investor’ to clearly define the reason for an investment, shape the solution that will best respond to the need and track the delivery of Benefits throughout the investment lifecycle. An ‘investor’ is that person (normally a senior executive) who has identified a business need, will be responsible for making (or advocating) an investment decision to address that need, and who will ultimately be responsible for delivering Benefits expected of the investment.

Over the past few decades the management of investments has commonly been supported using the tools of project management. These tools focus primarily on the question of whether a funded project is running to time and budget. In their common use project management tools are not used to assist in shaping an investment or in making decisions as to which investments should be funded. They do not focus on the ultimate delivery of the Benefits expected of the investment. The tools of project management do not generally assist ‘the *investor*’ in responding to the question, “has my investment delivered the expected Benefits?”

Investment management considers the investment from the viewpoint of the investor rather than the project manager. It represents a marked shift in thinking. The focus is different, the timescales are longer and the language used is not the same as for project management. Figure 1 depicts this differentiation. Good project management is critical to the success of an investment and this standard does not diminish this in any way but rather serves to complement it. This Investment Management standard provides a communications tool that will enable an investor to focus on the reason for the investment and the Benefit it provides throughout the investment lifecycle.

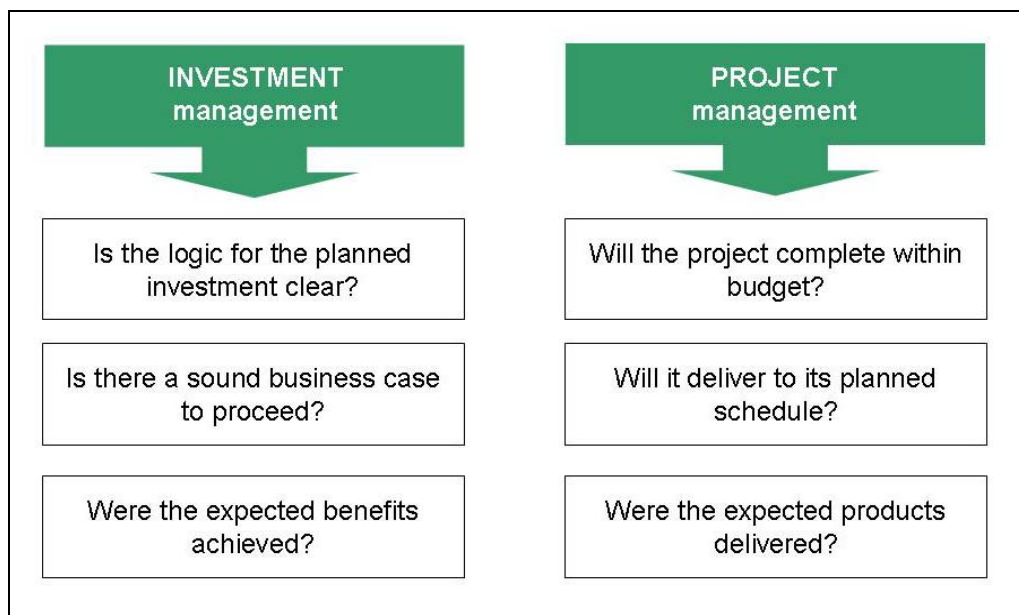


Figure 1: The context of investment management

## 1.2 Purpose of this standard

This standard has been developed to:

1. Improve the value-for-money that Government obtains from its investments, and
2. Enable the policies of Government to be implemented more quickly and effectively.

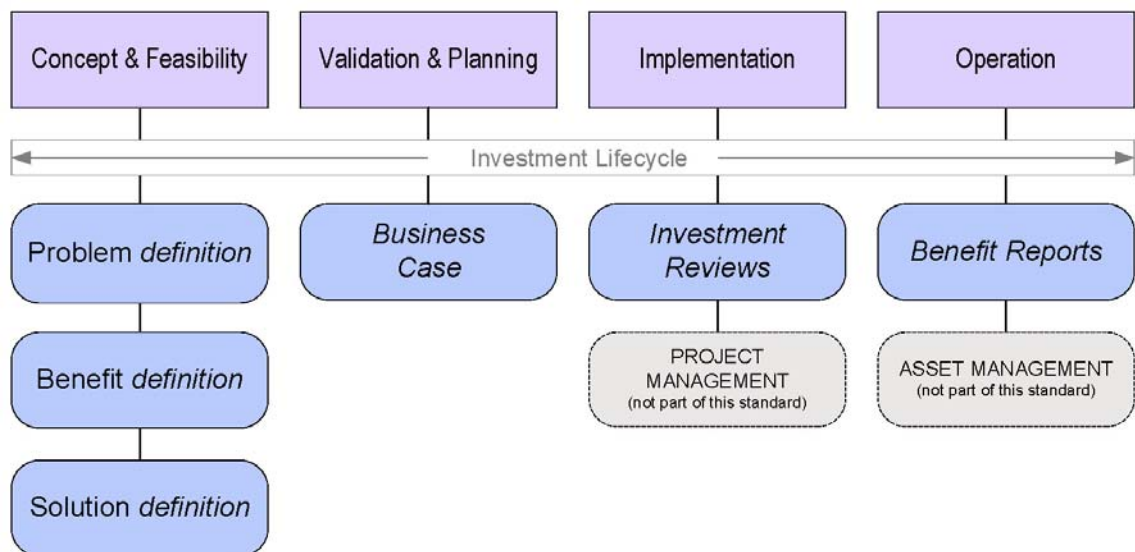
## 1.3 Compliance with this standard

This standard defines a number of individual guidelines that together constitute 'investment management'. An investment is compliant if it employs the relevant guidelines as it progresses through the investment lifecycle.

## 2 The Investment Management Guidelines

### 2.1 Overview

Figure 2 depicts the six guidelines that comprise the Investment Management standard and their placement within the investment lifecycle.



**Figure 2: The Investment Lifecycle**

These guidelines have been developed over several years as a result of the pragmatic application of some sound theory. They have been designed to be simple, practical and to provide maximum value for the minimum amount of effort and cost. As good ideas evolve there is a natural inclination to make them even better. The end result is often over-engineering and reduced impact. In developing this standard such temptations have been resisted.

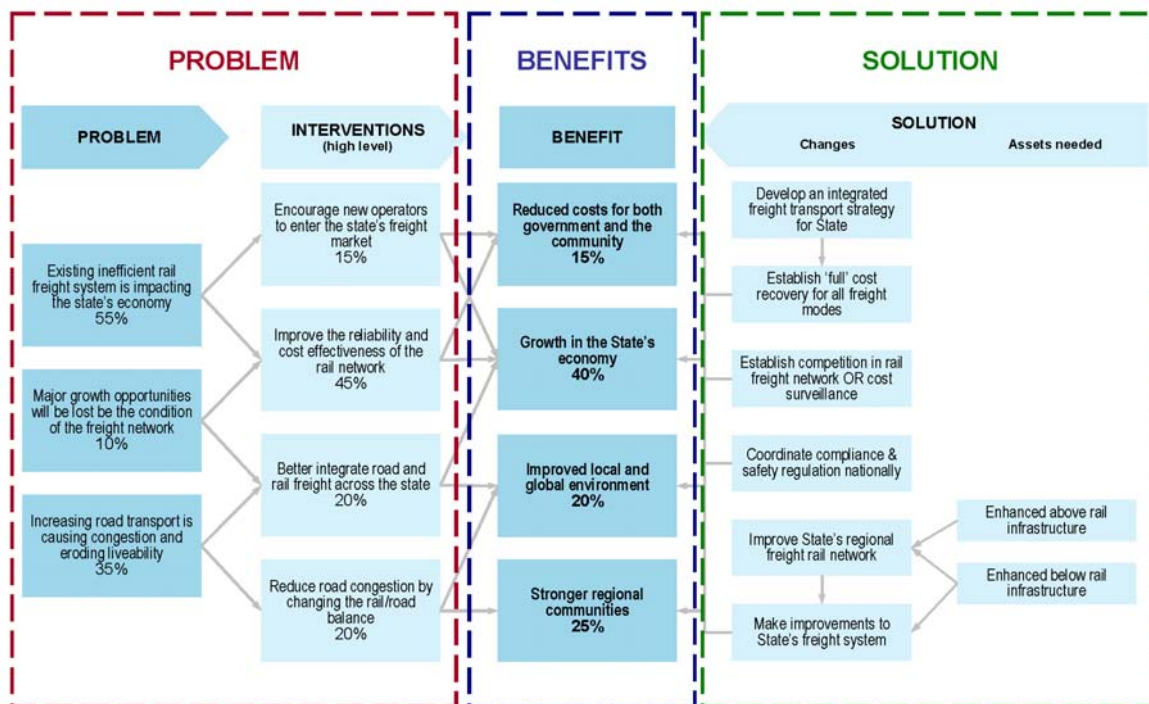
People instinctively believe that the adoption of any new methodology will be an overhead - ultimately something that will take more of their scarce time. This standard has been shown to be time saving from its first use. Understanding the logic for an investment, shaping the solution and developing a business case and Benefits management plan are normally long and complicated activities. This standard will substantially reduce the time taken for these activities by bringing the key people together for a series of short, focused facilitated workshops. Experience has shown that both the effort and the duration required to develop business cases and Benefit management plans have been reduced and the resulting products are more robust.

Within this standard the method that has been adopted to engage with the Investor to shape the investment and make investment decisions is a series 'intelligent discussions'. These take the form of structured two-hour workshops that bring together those people with the best knowledge of a specific topic. These discussions are facilitated by people who are skilled in the approach.

In effect, this standard has replaced pointless process with intelligent discussion. In doing so it has solved what has long been recognised as a major investment risk - the failure to engage with the senior executive for whom the investment has been made.

This standard does not specify any approaches to support project management. Project management methodologies are well advanced and most organisations have them imbedded into their normal mode of operation.

The first three guidelines in this standard are carried out during the concept and feasibility phase of the investment lifecycle and aim to define the logic for an investment. This logic is depicted in an Investment Logic Map (ILM) as the *Problem, Benefits and Solution* as shown in figure 2.1.



**Figure 2.1 Main elements of an Investment Logic Map**

### Common sense in applying the standard

The approach defined in this standard is applicable to any investment, irrespective of its type or size. However the way it is applied to a \$200M investment will be different to that of a \$20K investment. Common sense needs to dictate what is appropriate. As an example, for a small investment it will make sense to develop the Investment Logic Map in a single workshop whereas, for large and complex investments, the problem, benefit and solution need to be considered in three separate workshops with three different audiences.



## 2.2 Problem Definition

### 2.2.1 Purpose

One of the primary reasons that investments fail is that the basic logic for the investment was either not understood or was not shared by all the parties who needed to know. The common cause of this is that the investors themselves were not clear as to what was driving the investment decision or what Benefit the investment could reasonably be expected to deliver.

The *problem definition* workshop is used to rectify this lack of clarity. The logic for an investment is identified at a two-hour facilitated workshop and is defined in the form of an investment logic map (see example in the appendix).

### 2.2.2 Approach

On a single page an investment logic map depicts *the problems* that an investment needs to address, the high-level *interventions* that will be required to respond to the problem, and the *benefits* that any investment will be required to produce. Based in the identified interventions and benefits, it then defines the likely best solution - defined as the changes required and any assets needed. Figure 2.1 shows an ILM and the linkages between the elements.

The first iteration of the ILM is created in a two-hour problem definition workshop. The principle participant at that workshop is 'the investor' - that person who has identified a business need and will be responsible for making an investment to satisfy that need. This person will ultimately be responsible for the delivery of the Benefits that will respond to the need. It is critical that the real investor is the focus of this workshop and that the role has not been delegated to someone less responsible - this will ultimately compromise the outcome of the investment.

Whereas deriving and depicting the logic for a potential investment provides value in itself, the major value that is provided by these workshops is that of a communications forum. The facilitated workshop is a means by which the views of all participants are understood and reconciled and the 'story of the investment' is created. Within 24 hours the agreed investment logic map can be circulated for final modification and agreement - an example of an investment logic map is shown in the appendix.

For any major investment it is important that the workshop facilitator is accredited in the development of investment logic maps. Experience has shown that, without a facilitator trained and experienced in the creation of investment logic maps the result is diminished - sometimes severely. To redress this, a system of facilitator accreditation has been introduced. In the case that an organisation does not have suitably skilled facilitators the cost of engaging an accredited facilitator to develop an investment logic map is insignificant (around \$AUD1,000 - 1,500) and can be completed within 24 hours. Details of Accredited Facilitators can be found at

[www.dtf.vic.gov.au/investmentmanagement](http://www.dtf.vic.gov.au/investmentmanagement)

The investment logic map delivered in this process is the foundation document for the investment and is the basis for all subsequent phases of this methodology.

It should be noted that, outside of investment management, this tool has proven to be an effective means of clarifying underlying logic and priorities and have assisted in:

- Re-focussing an organisation to maximise the Benefit that are delivered
- Program development and evaluation
- Policy development.

## 2.3 Benefits Definition

### 2.3.1 Purpose

The only reason that organisations make investments is to create some form of Benefits for that organisation. It is therefore difficult to understand why few investments are able to articulate the Benefits they plan to deliver. In the past many well-intended organisations have attempted to implement programs to articulate and manage the Benefits of their investments but these have typically resulted in Benefits management plans that were of limited value as they were expensive to develop, difficult to understand and complex to apply.

This standard had developed a different approach to identifying the Benefit of an investment to that which has been used in the past. This allows a more direct articulation and attribution of the Benefit an investment is seeking to deliver against the purpose for which the organisation exists. This Benefit Framework is described in the appendix.

This guideline develops a brief but focussed Benefits management plan that defines the Benefit sought, the way the delivery of the Benefit will be measured and reported and who will be responsible for the delivering the Benefit.

Being created during the embryonic phase of an investment, Benefits management plans become a key factor in shaping solutions that will provide the maximum Benefits.

### 2.3.2 Approach

Benefits Management Plans are developed at a two-hour facilitated workshop. The key participants at this workshop are the investor who 'owns' the investment and will be ultimately responsible for the delivery of the Benefit, a 'KPI designer' who has some expertise in Key Performance Indicators (KPIs) and will propose a suitable set of KPIs for each Benefits, and a 'data provider' who will be ultimately responsible for reporting progress against the KPIs for each Benefits.

At the workshop the participants select the most suitable KPIs against each Benefit using the criteria:

- Meaningful (direct relationship between the KPI and the targeted Benefits)
- Attributable (KPI and its target value will be directly attributable to the proposed investment)
- Measurable (There is an existing baseline and it is cost effective to measure progress).

An example extract of a Benefits management plan pertaining to one Benefit is shown in the appendix.

## 2.4 Solution Definition

### 2.4.1 Purpose

The investment logic map developed in the Problem Definition workshop provides a clear understanding of why an investment is being considered ('the problem') and some idea as to what the solution might be. However, before any judgement of the relative merits of an investment can be made, a better understanding is required of the likely solution and its associated costs, risks, timelines and critical dependencies. It is also necessary to identify 'dis-Benefit' - any negative outcomes that might result from the proposed solution.

The *solution definition* workshop is used to identify and scope the type of solution that is likely to be required to respond to the business need and produce the Benefit that are sought. This is a two-hour facilitated workshop that brings together people with diverse expertise who identify and quantify the likely best solution. The output of this workshop is the modification of the investment logic map to depict the identified solution and an *investment concept brief* that contains the key details of the identified solution.

This workshop does not replace the need to conduct an options analysis for major investments. It merely provides information on the scope and cost of a likely solution so that the investor can decide whether, based on competing investment proposals, this investment should be considered further. For smaller investments it provides a rigour not normally used to test and select a potential investment. For some investments it may provide sufficient information to enable an investment decision to be made without the need to develop a business case.

### 2.4.2 Approach

The means used to identify the likely best solution is through a two-hour facilitated workshop that brings the investor together with a strategist, an innovator and someone who has implemented a similar solution. Together these people will shape the potential investment based on their various perspectives.

At the workshop a Solutions Architect proposes what they believe to be the best solution to the identified problem. The workshop participants will then address the following questions:

- Is the proposed approach aligned with broader policy objectives?
- Can this investment be used to provide capabilities or assets that others might use in the future?
- Are there capabilities or assets in existence that might be used as part of the solution?
- Does the proposed solution take advantage of new thinking and technologies?
- Is the proposed solution feasible?
- Will the solution enable the Benefits sought by the investor to be obtained?
- Will there be any 'dis-Benefits' – negative impacts that might result from the identified solution.

Based on the agreed broad definition of the solution, the second hour of the workshop will identify the likely timeframe, risks, dependencies and costs so that the simple two-page Investment Concept Brief can be completed. An example of the format for an investment concept brief is shown in the appendix.

## 2.5 Business Case

### 2.5.1 Purpose

The need to develop a sound business case is well understood. A business case is the articulation of the compelling case to make a specific investment. It provides those people who are responsible for making investment decisions with a clear understanding of all those factors that will enable sound prioritisation and decision making.

Within the Victorian Government, Business Case Guidelines exist as part of the Investment Lifecycle Guidelines. These Guidelines recognise that the information needed to define the case for an investment varies substantially for different investment types and sizes.

### 2.5.2 Approach

The Victorian Government Business Case Guidelines build upon the investment logic that was developed above. They

- provide a logical structured approach;
- set out the recommended format for the final business case;
- provide tips and recommendations concerning the content for each component of the business case; and
- include several sets of tools that will help to develop strong arguments that reinforce the claimed Benefit.

## 2.6 Investment Reviews

### 2.6.1 Purpose

Tracking the status of an investment throughout the investment lifecycle is normally restricted to project reporting - reporting only during the project implementation phase and focussing primarily upon how the project is tracking against its original time and cost expectations. This has significant limitations in that, even if a project is tracking to time and budget, the original Problems for the investment may no longer be valid. There may be opportunities to drive more Benefit than were originally planned. Alternatively, the solution that was valid at the time the investment decision was made may no longer be able to provide the Benefits that were sought.

The logic that underpins an investment is contained in the form of the investment logic map and the Benefits management plan. These documents are formal and core to the investment and are monitored and maintained throughout the lifecycle of an investment and reflect the investments any point in time.

The *investment review* enables the investor to review the investment logic and to make any adjustments required to ensure the investment remains both valid and optimal. At pre-determined intervals throughout the investment lifecycle a workshop format will be used to ensure that the logic for the investment remains valid.

### 2.6.2 Approach

The documents that define the foundation logic for an investment (investment logic map and Benefits management plan) become formal investment documentation.

At the time funding is committed a governance board (chaired by the investor) will decide at what intervals throughout the investment lifecycle it will be necessary to review the foundation logic for the investment. This may be at 6-monthly intervals but will be determined by the nature of the investment.

At each of the specified intervals a formal two-hour workshop will be held to test the continued relevance of the existing investment logic. This workshop will be similar to the investment logic mapping workshop and will be facilitated by an accredited facilitator.

In parallel with this review the normal review of a project's performance against cost and schedule expectations will be carried out.

Based on the agreed current investment logic and the project status the governance body will then decide to continue, discontinue or vary the terms for implementing the investment. The investment logic map and the benefits management plan that result from the review and ongoing investment decisions will be endorsed by the board as valid at that decision point.

This review is particularly important in focussing on the Benefits an investment is expected to deliver. It is often the case that the identified work required to deliver a Benefit has been undertaken but one small additional change that was not able to be identified early in the lifecycle is still required.

## 2.7 Benefits Reports

### 2.7.1 Purpose

Seldom are the Benefits delivered by an investment tracked, measured and understood. This results in a perception that the expected Benefit were not delivered. Obtaining regular reporting against the delivery of the expected Benefit overcomes this problem and also provides investors and strategists with information on the effectiveness of investments that can be used to inform future investment decision-making. There is substantial anecdotal evidence that for several types of investments - such as information technology investments - Benefit are often delivered that were unforeseen at the time the investment decision and that were never recognised. In addition to addressing the above problems Benefit tracking and reporting will inevitably drive more Benefit from an investment.

### 2.7.2 Approach

Using the KPIs identified and defined in the Benefits management plan, it is now possible to implement a simple Benefit tracking and reporting system. A spreadsheet has been developed in which the expected Benefits and KPIs and the actual achievement of these can be recorded. These are then depicted as two curves - one representing the expected achievement of Benefit and the other representing the actual achievement. A depiction of Benefit reporting and its relationship to project reporting is shown in the appendix.

It is not expected that new tracking systems will need to be created but rather that existing project management reporting systems are extended for the duration of the investment lifecycle rather than concluding when a project is implemented. This will also enable the integration of the project status with the investment status as required for the investment proposition review described above.

### 3 More Information

For more information, please go to [www.dtf.vic.gov.au/investmentmanagement](http://www.dtf.vic.gov.au/investmentmanagement)  
or email [investmentmanagement@dtf.vic.gov.au](mailto:investmentmanagement@dtf.vic.gov.au)



## 4 Appendices

### 4.1 Appendix: Glossary

#### **Assets Needed**

Any physical asset that must be built or purchased to enable the identified changes to occur. These may be a hospital, a pipeline or an IT system.

#### **Benefits**

The value that the investment will provide to the organisation or its customers. Benefits are normally a positive consequence of responding to the identified Problem. Each claimed Benefit must be supported by Key Performance Indicators that demonstrate the investment's specific contribution to the identified Benefit.

#### **Benefits Management Plan**

A short document that defines the pre-requisites for the delivery of each expected Benefit, how the delivery of each Benefit will be measured, and who will be responsible for measuring and realising each Benefit.

#### **Benefits Reports**

A report for the investor that depicts the status of the delivery of the Benefit compared to the original expectations.

#### **Business Case**

A document providing the information that an investor needs to decide whether to commit resources to a new investment.

#### **Change**

The things that must be done by the business if the Benefits are to be delivered. The changes provide detail of how the strategic intervention defined will actually happen.

#### **Dis-Benefits**

A negative impact that might occur as a direct consequence of implementing a particular solution.

#### **Gateway**

The Gateway Review Process is a best practice initiative based on proven techniques used extensively in progressive industries and governments. The Gateway Review Process has been validated and optimised for use in Victoria over a wide variety of projects and programs.

#### **Growing Victoria Together**

A ten-year vision that articulates what is important to Victorians and the priorities that the Victorian Government has set to build a better society.

#### **Intervention**

The high-level action (or strategic intervention) that is proposed as the response to the identified Problem. This intervention must be framed within the context of the organisation's purpose.

#### **Investment Concept Brief**

A two-page document that depicts the logic underpinning an investment and identifies the likely costs, risks, dependencies and deliverables of the proposed solution. It is used to summarise the merits of an investment and allow decision makers to prioritise competing investments before proceeding to business case.

### **Investment Logic Map**

A simple single-page depiction of the logic that underpins an investment. It provides the core focus for an investment and is modified to reflect any changes to the logic of an investment throughout its lifecycle.

### **Investment Management Standard**

A best practice approach applied over the life of an investment that aims to reduce the risk of investment failure, provide greater value-for-money and drive better outcomes. It has been designed to enable the *investor* to shape and control investments throughout their lifecycle.

### **Investment Reviews**

Formal scheduled periodic reviews that aim to confirm that the logic for an investment remains valid.

### **Investor**

The person who has an identified business problem (or opportunity), will be responsible for making (or advocating) a decision to investment, and who will be responsible for delivering the expected Benefit. This person is often referred to as the 'senior responsible owner'.

### **Key Performance Indicator (KPI)**

The measure that has been selected as evidence that an expected Benefit has been delivered. The KPI must be directly attributable to the investment.

### **Problem**

The reason that action needs to be considered at this time. Problems are normally couched in negative terms but can also be an opportunity that will be lost. The statement of a problem should capture the essence of what is broken and the consequence.

### **Project Management**

A controlled process of initiating, planning, executing and closing down a project. The changes required to enable the Benefit of an investment to be delivered are usually defined as projects.

## 4.2 Appendix: Benefit Framework

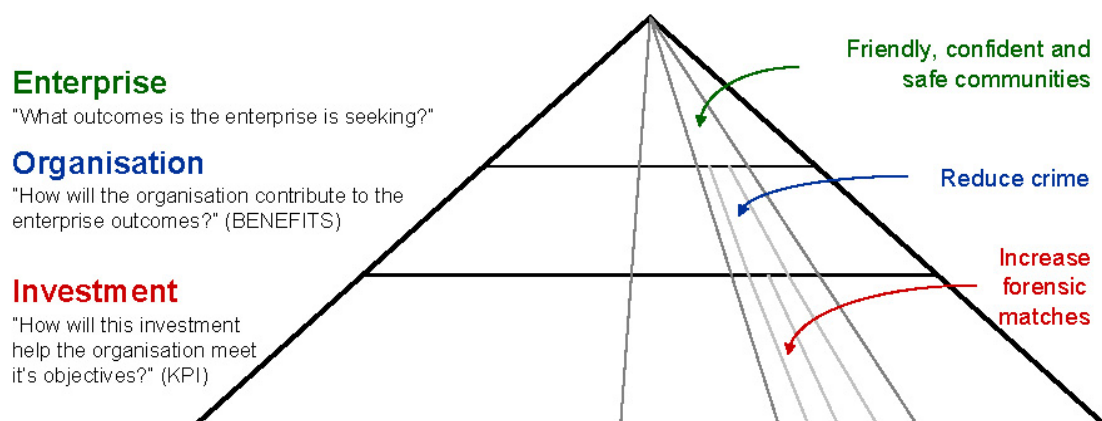
Each time an organisation makes an investment there is an expectation that some form of Benefits will be returned. It therefore follows that the ability to design investment solutions that provide maximum Benefit and to be able to confirm that the expected Benefit were delivered is critical to every organisation.

Why is it then that very few investments are able to articulate the Benefit they will provide, to define how they will be measured or to actually measure the Benefit that are ultimately delivered?

In taking a fresh look at the problem of Benefits management, it seems that within large organisations there has been an inability to define how each individual investment contributes to the primary Benefit that are the point of the organisation's existence.

It is typical and appropriate that everyone within, say Police, believe their individual investment will provide the Benefits of 'reduced crime' and everyone in Education will claim theirs will result in 'better learning outcomes'. But until now there has been limited ability to describe the contribution of an individual investment to reducing crime or to achieving 'better learning outcomes'.

The Benefit Framework that is depicted below has evolved, been tried and found to be effective at addressing this long-standing problem.



The framework is a three-level structure that links the contribution of an individual investment to the outcomes the enterprise is seeking.

In the example depicted here, at the *Enterprise* level, the Government is seeking to create 'friendly, confident and safe communities'. To this end they set Benefit and targets that must be met at the *Organisation* level - in this case the Police are required to 'Reduce Crime'.

At the *Investment* level it is necessary to demonstrate how a particular investment will contribute to the Benefit sought by the organisation. In the fictional example we are using here, the team of forensic scientists are seeking an investment to acquire state-of-art forensic software and to renew their aged computer system. In return for this investment they claim they will 'reduce crime'. Their evidence to support this claim is that they will reduce the time it takes to provide forensic matches by 30% and obtain 20% more forensic matches.

The head of the police organisation is then left to decide the following:

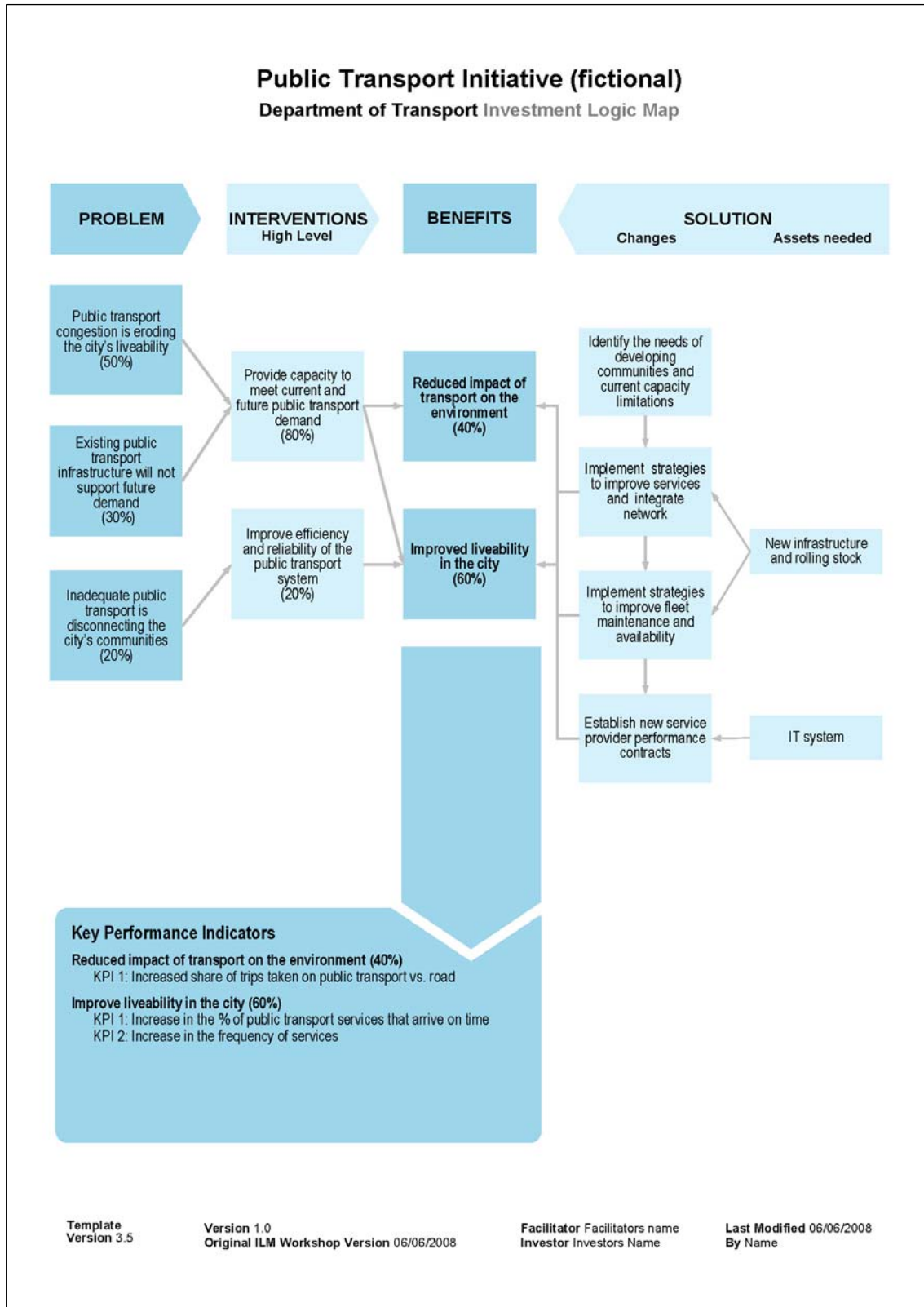
How significant will meeting the targets associated with these KPIs be to a reduction in crime?

Would the claimed KPIs and their targets be directly attributable to the proposed investment? and

Would the likely impact on crime reduction be worth the cost of the proposed investment?

This Benefits Framework is used as the basis for considering the validity of potential Benefit during the development of Investment Logic Maps. It has also been used during the development of more than sixty Benefits Management Plans, many of which are now tracking the delivery of Benefit.

### 4.3 Appendix: Investment logic map (fictional example)



## 4.4 Appendix: Benefits management plan (fictional example)

**Public Transport Initiative (Fictional)**  
Department of Transport Benefit Management Plan

**BENEFITS SUMMARY**

The proposed investment is expected to deliver the following benefits:

**BENEFIT 1: Red**

- Increasing the

**BENEFIT 2: Impr**

- Improving the arrive on time
- Increasing the

**Public Transport Initiative (Fictional)**  
Department of Transport Benefit Management Plan

PROBLEM

INTERVENTIONS  
High Level

BENEFIT

SOLUTION  
Changes Assets needed

- Public transport congestion is eroding the city's livability (50%)
- Existing public transport infrastructure will not support future demand (30%)
- Inadequate public transport is disconnecting the city's communities (20%)

**Key Performance Indicators**

Reduced impact of transport on the environment 40%

Improve liveability in the city 60%

**Public Transport Initiative (Fictional)**  
Department of Transport Benefit Management Plan

**REDUCED IMPACT OF TRANSPORT ON THE ENVIRONMENT 40%**

**KEY PERFORMANCE INDICATORS**

**KPI 1**

Mode share

**Measure**

Increase share of trips taken on public transport vs road

**Baseline value**

11%

**Target value for 2020**

20%

**Date targets will be met**

2020

**RESPONSIBILITIES**

**Who is responsible for meeting KPI 1?**

[Name]  
Director of Transport  
Department of Transport

**Who is responsible for reporting?**

[Name]  
Director of Transport  
Department of Transport

**REPORTING SCHEDULE**

**Frequency of reporting**

Yearly

**Source of measurement data**

Australian Bureau of Transport

**Starting date for reporting**

2008

**Date targets will be met**

2020

**Public Transport Initiative (Fictional)**  
Department of Transport Benefit Management Plan

**IMPROVE LIVEABILITY IN THE CITY 60%**

**KEY PERFORMANCE INDICATORS**

KPI 1	KPI 2
Reliability of services	Frequency of services
<b>Measure</b>	<b>Measure</b>
Increase in the % of public transport services that arrive on time	Increase in the frequency of services that are provided
<b>Baseline value</b>	<b>Baseline value</b>
95%	Services every 10 minutes
<b>Target value for measure/s</b>	<b>Target value for measure/s</b>
99%	Services every 5 minutes
<b>Date targets will be met</b>	<b>Date targets will be met</b>
2020	2020

**RESPONSIBILITIES**

Who is responsible for meeting KPI 1?	Who is responsible for meeting KPI 2?
[Name] Director of Transport Department of Transport	[Name] Director of Transport Department of Transport
Who is responsible for reporting?	Who is responsible for reporting?
[Name] [Position] Private public transport operator	[Name] [Position] Private public transport operator

**REPORTING SCHEDULE**

Frequency of reporting	KPI 1
Monthly	Monthly
Source of measurement data	Measure
Public Transport Operators	Public Transport Operators
Starting date for reporting	Baseline value
2009	2009
Date targets will be met	Target value for measure/s
Ongoing	Ongoing

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Facilitator [Add]

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## 4.5 Appendix: Investment concept brief (fictional example)

### Public Transport Initiative (Fictional)

#### Department of Transport Investment Concept Brief

PROBLEM

INTERVENTIONS  
High Level

BENEFIT

SOLUTION  
Changes Assets needed

Public transport congestion is eroding the city's liveability (50%)

Existing public transport infrastructure will not support future demand (30%)

Inadequate public transport is disconnecting the city's communities (20%)

Provide capacity to meet current and future public transport demand (80%)

Improved efficiency and reliability of public transport system (20%)

Reduced impact of transport on the environment (40%)

Identify the needs of developing communities and current capacity limitations

Implement

### Public Transport Initiative (Fictional)

#### Department of Transport Investment Concept Brief

**Context** What is the compelling reason this investment should be considered further?  
Public transport is failing to meet current demand and will be further impeded by growth in patronage.

**Benefits** What benefits will this investment deliver to Government? Refer to Investment Logic Map on the reverse.

**Dis-Benefits** What negative impacts to government are likely to result from the identified solution?  
Undertaking transport infrastructure projects may disrupt public transport services during delivery phases of projects. (short term)  
Undertaking transport infrastructure projects may disrupt road traffic particularly when projects such as grade separations occur. (short term)

**Risks** What are the primary risks to the success of this investment?

Risk	Criticality (H/M/L)	Likelihood (H/M/L)
Inability to accurately forecast patronage growth	M	H
Incorrect identification of public transport needs	H	M
Shortage of technical skills and construction resources	H	H
Inefficient project co-ordination	M	H
Transport operators not working collaboratively	M	M

**Critical Dependencies** What external conditions are critical to the need for this investment?  
Government's policy regarding congestion taxes/charges  
Government policy regarding the environment.  
Government targets regarding public transport usage.

**Timeframe** What are the expected timeframes for the key deliverables?

Description of deliverable/milestone	Time from funding (Months)
Identify current and future service requirements	6 months
Delivery of new rolling stock	1-2 years
Delivery of new infrastructure i.e track, stations	1-12 years
Improved reliability and efficiency of public transport system	1-12 years

**Cost** What are the likely costs of this investment?

Item (change or asset needed)	Cost (range)
New transport infrastructure	Approx \$9.5b
New rolling stock	Approx \$1b
New IT system	Approx \$20m
<b>TOTAL</b>	<b>Approx \$10.5b</b>

**Policy Alignment** What is the primary policy to which this investment will contribute?  
Deliver and Sustain Future Public Transport Demand

**Investor** Who is the senior person who will ultimately be responsible for delivering the identified benefits?

Name	Position	Signature	Date

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Investor [Name]

Facilitator [Name]

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**Key Performance Indicators**

**Reduced impact of transport on the environment**  
KPI 1: Increased share of trips taken on public transport

**Improve liveability in the city (60%)**  
KPI 1: Increase in the % of public transport users  
KPI 2: Increase in the frequency of service

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## 4.6 Appendix: Benefits reporting (fictional example)

