



REGIONAL GROWTH FUND

Frequently asked questions



Q What makes a good business case?

A The most effective business cases are evidence-based and clearly show:

- the best way of meeting specified objectives or resolving identified problems
- rationale for investment and strategic alignment
- detailed project scope, options, costs and benefits
- the applicant's capability and capacity to manage and deliver the proposal.

Q What things should be included in a business case?

A Your business case should present your proposed project in terms of:

The case for change — rationale for investment, strategic alignment, expected outcomes, community and stakeholder support.

Analysis of the proposal — objectives, other options considered, projected costs, economic and financial appraisals, proposed funding arrangements.

Implementation — program and milestones, governance, risks, legislative and regulatory issues, proposed management and reporting.

It is important that forecasts, appraisals and estimates are supported with appropriate data or evidence.

Q Is there a business case template available?

A Yes. A business case template can be found at www.nsw.gov.au/writingabusinesscase

Also provided on this page is an example of an effective business case, which shows the types of information and level of detail that should be included.

Q Does the business case assessment include social and environmental outcomes in addition to economic factors?

A Yes. Your business case must include details of the community, social and environmental outcomes of your proposal. Project proposals that best demonstrate meeting community needs are considered more favourably.

Q Do we have to provide independent quotes or cost estimates to support applications? How detailed do these need to be?

A Yes. Your business case should report the total cost of the proposal and be supported by cost estimates.

The build-up of costs will usually be done by a suitably qualified cost estimator and should include base cost rates and quantities, contractor margins, project management margins and contingency.

All cost estimates should be exclusive of GST.

Further guidance on good practice cost estimation can be obtained from

www.investment.infrastructure.gov.au/whatis/costestimation

Q Should contract project management costs be included in applications?

A Yes. Your proposal's costs should include base cost rates and quantities, contractor margins, project management margins and contingency.

For more information, refer to section 3.5 Projected Costs of the Simplified Business Case Guidelines document provided at www.nsw.gov.au/writingabusinesscase

Q Should operation, maintenance and other lifecycle costs be included in applications?

A Yes. In many instances, the upfront capital costs may represent only a fraction of the total cost of a proposal. To inform the value for money and affordability assessment over the life of the proposal, applicants should disclose all ongoing costs associated with their proposal. These ongoing costs may include operating costs, maintenance and repair costs, asset renewal and replacement costs.

For more information, refer to section 3.5 Projected Costs of the Simplified Business Case Guidelines document provided at www.nsw.gov.au/writingabusinesscase

Q Where can I go for more help?

A You will find a range of resources to help you prepare your business case on the Regional NSW website at www.nsw.gov.au/writingabusinesscase

Tools include Simplified Business Case Guidelines, a business case template and an example of an effective business case.

You can also watch a video of an information session about preparing effective business cases and the kinds of things assessors consider.

Applicants are also encouraged to contact staff from the NSW Office of Regional Development on regionalsw.business@dpc.nsw.gov.au or **1300 679 673**.