**Business Case**

**Chief Information Officer:**

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Chief Financial Officer:**

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Signed: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Business Area / Program Lead**

Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |
| --- | --- |
| Supporting Agencies | n/a |
| Estimated cost | $XX million over n years |
| Estimated ICT cost | $XX million over n years |
| Risk assessment | Medium |
| Authority for the Proposal | Minister for Department of Government Services Delivery |
| Purpose | This First Pass Business Case supports the Cabinet submission on options to address limitations within the current ICT solution supporting delivery of the Neighbourhood Workers Allowance Scheme (NWAS).  This document details the costs, benefits and risks associated with various solution options, as well as additional information in support of the preferred way forward. |

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# Executive Summary

## Option One

|  |  |  |
| --- | --- | --- |
| Strengths | weaknesses | Recommendation |
|  |  |  |

## Option Two

|  |  |  |
| --- | --- | --- |
| Strengths | weaknesses | Recommendation |
|  |  |  |

## Option Three

|  |  |  |
| --- | --- | --- |
| Strengths | weaknesses | Recommendation |
|  |  |  |

## Option Four

|  |  |  |
| --- | --- | --- |
| Strengths | weaknesses | Recommendation |
|  |  |  |

# Financial Summary

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | | Year One | Year Two | Year Three | Year Four | Total |
| Option One NPV: $Ym | Capital |  |  |  |  |  |
| Operational |  |  |  |  |  |
| Total |  |  |  |  |  |
| Option Two NPV: $Ym | Capital |  |  |  |  |  |
| Operational |  |  |  |  |  |
| Total |  |  |  |  |  |
| Option Three NPV: $Ym | Capital |  |  |  |  |  |
| Operational |  |  |  |  |  |
| Total |  |  |  |  |  |
| Option Four NPV: $Ym | Capital |  |  |  |  |  |
| Operational |  |  |  |  |  |
| Total |  |  |  |  |  |

# Current Situation

## Policy

The proposal context sets out the problem that the proposal is responding to, or the opportunity. Use graphs, reference material, images – tell the story of the current situation.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Current Technical Environment

For ICT Enabled Business Cases - Describe the current situation not only from a business perspective – but also from a current technical perspective. High level environment and architecture diagrams can be helpful, but keep in mind the audience for the document when thinking about the degree of technical detail to include.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Business Problem

Neighbourhood Workers play a vital role in delivering assistance to disadvantaged groups, and the current strained system of administration is causing many Neighbourhood Workers to withdraw their services, or to decrease the number of hours that they contribute. The combined effect of fewer Neighbourhood Workers and remaining Neighbourhood Workers working less generates a significant shortfall in the required capacity of the sector.

The value and importance of the Neighbourhood Worker sector continues to grow when considered in the context of Government funded services not reaching needy citizens.

As an incentive to attract more Neighbourhood Workers, and to retain existing Neighbourhood Workers, the Government is proposing to introduce a new allowance for registered Neighbourhood Workers. This is expected to address one cause of the current decline but of itself would reinforce the current diffused operating model of the Department, and will stretch the existing systems beyond their capacity to deliver services.

Of key concern is the Department’s capacity to effectively integrate the payment processing component of the scheme. A failure in this area will diminish the credibility of the scheme overall, possibly further exacerbating the rate at which Neighbourhood Workers withdraw.

## Stakeholder Impact

The Department has conducted a survey to gauge the impact of the current situation on key stakeholder groups. In summary, the current issues with processing times and the complexity of engaging with the process are key contributors to the decline in Neighbourhood Worker numbers over the last few years.

A copy of the survey findings in provided at Attachment N.

## Current Risks

The key risks of not proceeding with improvements to NWAS are:

* Unsuccessful delivery of the extended Neighbourhood Worker allowance payment scheme,
* Financial performance reporting inaccuracies,
* Restriction of Government’s ability to contribute to an effective and functional Neighbourhood Worker sector,
* Continued staff turnover and TOIL costs and associated impact on staff morale,
* High and increasing costs of system support and maintenance,
* Continued reliance on specialised skill sets,
* Failure of DGSD to deliver on key accountabilities to Government, and
* Negative public perception of DGSD and the Australian Government.

## Proposed Response

Having identified the “Why” of the Business Case, the Proposed Response starts to articulate the “What” is being proposed to be done in response.  
This is about identifying the desired end state or destination, rather   
than the detail of “How” to get there.

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# Strategic Alignment

## Source

|  |  |
| --- | --- |
| **Source** | **Stated Strategy** |
| DGSD 2013‑14 Portfolio Budget Statements  Outcome 1  *Maintain and enhance the financial wellbeing and participation of Neighbourhood Workers through access to allowance payments and other support services, including advice and information about entitlements.* | Assist eligible Neighbourhood Workers to receive their correct entitlements through effective advice and efficient claims determinations and review.  Integrate Neighbourhood Worker retention as a key consideration in compensation policy and decision making. |
| DGSD 2013‑14 Portfolio Budget Statements  Outcome 2  *Maintain and enhance the wellbeing and quality of life of communities through Neighbourhood Worker provided services.* | Develop an integrated approach to support the Neighbourhood Worker community.  Promote Neighbourhood Worker retention as a priority for Neighbourhood Worker. |
| DGSD Strategic Plan 2010‑2015 | Client-Centric Program Design.  Shared capability in Neighbourhood Worker Scheme Management |
| DGSD ICT Strategic Plan 2010‑2015 | Providing smarter systems with connected-up client information.  Modern ICT architecture for agility and flexibility.  Planning and development of new payment processing systems for NWAS. |

## Technical Environment

For ICT Enabled Business Cases - Describe the proposed future state from a technical perspective. High level environment and architecture diagrams can be helpful, but keep in mind the audience for the document when thinking about the degree of technical detail to include.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

## Business Environment

The NWAS Program will dramatically change the Department’s operating model and delivers upon a powerful vision for the future of Australia’s neighbourhood services infrastructure:

* Simpler, targeted and more accessible payment processing – assuring integrity and delivered at lower cost.
* Services will be more agile – able to adjust rapidly to changing neighbourhood and policy needs.

## Benefits

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Proposal Summary:

Consider providing a single page summary of the proposal in the form of an Investment Logic Map or similar.

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

# Identified Options

This section explores possible options and refines these to four practical options which could be undertaken to make the necessary improvements in the systems underpinning NWAS to address the key business problems indentified.

The following ICT options were identified based on market analysis, industry experience and consultation within DGSD and the Neighbourhood Worker Community.

## Option 1

|  |  |
| --- | --- |
| Description | Costs |
|  |  |
| Risks | Barriers |
|  |  |
| Strengths | Weaknesses |
|  |  |

## Option 2

|  |  |
| --- | --- |
| Description | Costs |
|  |  |
| Risks | Barriers |
|  |  |
| Strengths | Weaknesses |
|  |  |

## Option 3

|  |  |
| --- | --- |
| Description | Costs |
|  |  |
| Risks | Barriers |
|  |  |
| Strengths | Weaknesses |
|  |  |

## Option 4

|  |  |
| --- | --- |
| Description | Costs |
|  |  |
| Risks | Barriers |
|  |  |
| Strengths | Weaknesses |
|  |  |

# Option Analysis

The following table details the assessment of these options.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Requirement | Option 1 – Do Nothing | Option 2 – ICT Development and Implementation | Option 3 – Strategic Transformation | Option 4 – Devolved Scheme Management |
| Benefits |  |  |  |  |
| Total costs (over 5 years) |  |  |  |  |
| Implementation costs |  |  |  |  |
| Ongoing costs (per year) |  |  |  |  |
| Net Present Value (NPV) |  |  |  |  |
| Implementation timeframe |  |  |  |  |
| Fit to Requirement 1  Client-centric |  |  |  |  |
| Fit to Requirement 2  ‘Whole of client’ view |  |  |  |  |
| Fit to Requirement 3  Flexible task & activity management |  |  |  |  |
| Fit to Requirement 4  Apply multiple complex rule sets |  |  |  |  |
| Fit to Requirement 5  Flexible document generation and storage |  |  |  |  |
| Fit to Requirement 6  Process up to 150 claims per day |  |  |  |  |
| Fit to Requirement 7  Fit to Government ICT policies |  |  |  |  |
| Fit to Requirement 8 Usability |  |  |  |  |
| Fit to Requirement 9  Flexibility |  |  |  |  |
| Fit to Requirement 10  Interoperability |  |  |  |  |
| Implementation risk |  |  |  |  |
| Conclusion |  |  |  |  |