2018-19 budget guidance – submission process

This guidance material outlines the information requirements for 2018-19 budget submissions and the deliberations process.

# Key dates and deadlines

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| Key dates | Action | Description |
| 23 October 2017 to 10 November 2017 | Ministers present to PSBC. | Ministers will present their proposals for the upcoming budget to PSBC. DTF/DPC will also provide advice to ERSC on lapsing programs and selected demand pressures for the 2018-19 budget, with DTF/DPC and departments to engage with each other in the preparation of this advice. Following this, the Treasurer and Premier will write to Ministers confirming PSBC outcomes and any further work required.  |
| From September 2017 until 12 January 2018 | Consultative business case development. | Departments to work with DTF/DPC to fully develop draft business cases with a view to ensure:* business cases are fully developed and complete in order to provide ERSC with all necessary information required to make an informed decision;
* stages of implementation are considered (i.e. proposals are implementation ready); and
* risks have been appropriately considered and mitigated.
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| From September 2017 until 12 January 2018 | Costing agreement. | Departments to seek agreement on costings with DTF prior to formal lodgement of submissions.  |
| 22 January 2018 | ERSC bids due from Ministers. | Formal lodgement of all proposed budget bids. Submissions and all attachments must be lodged with DPC’s Cabinet Office (via the VicPortal) and required information entered into the State Resource Information Management System (SRIMS). |
| 22 January 2018 to 9 February 2018 | Ministers present to PSBC. | Ministers will present their lodged bids to PSBC.  |
| 5 February 2018 to 9 February 2018 | PSBC to consider Ministerial priorities. | PSBC meeting(s) and deliberations. |
| 12 February 2018 to 16 March 2018 | ERSC considerations.  | ERSC meeting(s) and budget deliberations. |
| 16 March 2018 to 25 March 2018 | ERSC wrap up. | Delegation to the Premier/Treasurer to finalise the budget.  |

# Requirements for Stage 1 & Stage 2

## Stage 1 – requirements for asset and output submissions

No submissions will be lodged for stage 1.

However, DTF/DPC will prepare advice on lapsing and selected demand proposals to support Stage 1 ERSC meetings, with DTF/DPC and departments to engage with each other in the preparation of this advice.

 For further detail or clarification, please contact your department’s DTF Relationship Manager.

## Stage 2 – requirements for asset and output submissions for 2018-19 budget deliberations

All submissions must contain the following completed documents:

1. **Cabinet Committee submission template** - as per the standard Cabinet Committee template issued by the DPC Cabinet Office.
2. **Summary table** of departmental initiatives, asset and output (template at Attachment A).
3. The following documents for each initiative:

**Output and asset initiatives – business case cover sheet**

Each business case requires a completed cover sheet (Attachment B).

**Output and asset initiatives – business cases**

Depending on the value and complexity of the initiative, a **short form business case** (Attachment D) OR a **long form business case** (Attachment C) must be completed.

**Asset initiatives – Project Profile Model**

For **asset initiatives** with a total estimated investment (TEI) greater than $10 million, a **Project Profile Model (PPM)** is required (template available on the DTF website at: [Gateway project profile model](http://www.dtf.vic.gov.au/Publications/Investment-planning-and-evaluation-publications/Gateway/Gateway-project-profile-model-form)).

The PPM will be reviewed and DTF will use it to inform the project’s risk assessment and recommendations to government on whether the initiative should be classified as high-value high-risk and undertake Gateway reviews.

Note that this is not required for output initiatives.

**Other supporting documents, including but not limited to:**

* + - lapsing program review evaluation (refer to Attachment E for further information); and
		- detailed costing information (further guidance on costings requirements is included at Attachment E).

When preparing submissions and associated attachments, departments must ensure that information is correctly and consistently presented – for example, consistent financial implications,

Minister’s ranking and locations are referenced in both the excel summary table (Attachment A) and business cases.

In line with DPC's Cabinet Office guidance, "Cabinet-in-Confidence" should appear on every page of the submission (including attachments), and pages should be numbered sequentially throughout the submission, with attachments having their own individual page numbers.

Please contact your relevant departmental Cabinet services area for further details of Cabinet Committee submission requirements.

# Business case templates

All initiatives seeking funding as part of the 2018-19 budget must submit a business case and a business case cover sheet (Attachment B).

Departments should refer to the table below, which explains whether a short form business case **OR** a long form business case template should be used.

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| Assets | Outputs |
| All asset investments with a TEI under $10 million (unless they are classified as high risk) are only required to complete **a short form business case template** (Attachment D). | In deciding whether to complete a short form or long business case template, Ministers and departments should consider the size and complexity of the output initiative. DTF expects that most output funding requests will adopt the short form template.  |
| All investments classified as high risk or with a TEI over $10 million are required to complete a **long form business case template** (Attachment C). | Where appropriate, **the long form business case** may be completed for more complex and/or larger output initiatives. |

Specific guidance to assist departments in completing the short form business case (Attachment D) and the long form business case (Attachment C) within the respective templates and Attachment E.

The long formbusiness case template (Attachment C) is also available on the [Investment Lifecycle and High Value High Risk products](http://www.dtf.vic.gov.au/Investment-Planning-and-Evaluation/Investment-professionals-toolkit/Investment-lifecycle-and-High-Value-High-Risk-products) web page. It is based on the investment assessment checklist available on the [Investment Lifecycle and High Value High Risk Guidelines - Prove](http://www.dtf.vic.gov.au/Publications/Investment-planning-and-evaluation-publications/Lifecycle-guidance/Investment-lifecycle-and-High-Value-High-Risk-guidelines-Prove) web page, which poses key questions to address when developing a business case.

DTF has amended both the long and short form business case templates to reduce duplication, improve clarity, and provide further guidance/references to assist users. New policies and changes to existing processes have also been incorporated where applicable.

A summary of the amendments is on the first page of the templates.

## Requirements for high-value high-risk proposals

Departments should work with DTF in preparing asset proposals, particularly those likely to be considered under the High Value High Risk (HVHR) framework.

HVHR projects need to undertake the following:

Before lodgement at stage 2, complete a Gateway review of the long form business case (Gate 2). If it is not feasible to complete a Gateway review prior to submission, please discuss alternative strategies for meeting Gateway review process requirements with your DTF Infrastructure Policy and Assurance contact.

Complete Recommended Action Plans (RAPs) for any red flag recommendations arising out of Gate 2 Gateway reviews and include them in the attachments to the **long form business case** submitted to DPC's Cabinet Office.

Consistent with DTF's project budgeting technical guidelines, DTF may request departments undertake an independent/external review of costing estimates. DTF may also commission an independent external review of significant or technical issues in a business case, including costing estimates to inform its deliverability assessment.

Departments are strongly encouraged to consult relevant DTF staff as HVHR asset proposals are being developed to facilitate and expedite the HVHR assessment process.

## Consultation with DTF and DPC during business case development

We encourage departments to engage with DTF and DPC on the development of their draft business cases prior to their completion. This will help ensure:

* all relevant and necessary information is incorporated into business cases; and
* proposals have sufficiently considered implementation risks and output impacts.

This will ensure greater understanding of proposals and their policy merit.

## DTF costing agreement

Departments should consult with DTF, and seek agreement, on the financial implications of initiatives proposed as part of the 2018-19 budget prior to formal lodgement of submissions.

We encourage departments to provide their DTF Relationship Manager with detailed costings for each initiative as soon as possible, commencing October 2017.

Following review and consultation, DTF Relationship Managers will have responsibility for agreeing (or not agreeing) costings.

DTF Relationship Managers will base their costing agreement on (with respect to each initiative) the rigour of underpinning analysis, including:

* consistency with Attachment E; and
* consideration of implementation risks and deliverability.

For further detail or clarification, please contact your department’s DTF Relationship Manager.

Refer to Attachment E for further detailed guidance and requirements for the costing process.

## Requirements for whole-of-government submissions

Where applicable or requested by ERSC, whole of government submissions should be grouped together. The most common instance will be where a number of submissions are grouped under a particular policy theme and submitted together for consideration. For example, in past years this has included packages for Family Violence, Jobs, Aboriginal Affairs, Ice action plan, etc.

It will be the responsibility of:

* the **Co-ordinating Minister** for the whole of government submission, to sign the hard copy Cabinet Committee submission lodged with DPC's Cabinet Office, including the business cases (Attachments B, C and/or D) as approved by the relevant Portfolio Minister/s;
* the **Portfolio Minister** for each individual initiative/project, to approve each initiative prior to providing to the Co-ordinating Minister;
* the **lead department** to prepare the consolidated whole of government submission, including the hard copy Cabinet Committee submission, the summary of initiatives (Attachment A), and coordinating with the contributing departments to collate all business cases (Attachments B, C and/or D); and
* each **contributing department** to prepare a budget proposal for each individual initiative/project – using either the long form business case (Attachment C) or the short form business case (Attachment D) templates as appropriate, and a business case coversheet (Attachment B).

# Further information

## Lodgement of electronic and hardcopy output and asset submissions

All submissions are to be lodged no later than **5pm on 22 January 2018.**

**Submissions must be lodged electronically in SRIMS and in hardcopy (seven copies) to the DPC Cabinet Office at the same time**.

In line with Cabinet Committee submission requirements (e.g. via VicPortal), "Cabinet-in-Confidence" should appear on all pages of the submission including attachments, and pages should be numbered sequentially throughout the submission with attachments having their own individual page numbers.

Additional information can be obtained from:

* James Cole, Senior Adviser, DPC Cabinet Office 965 15017; or
* Gary Workman, Manager DTF Cabinet and Parliamentary Services 965 12396.

## SRIMS Guidance

Budget submissions need to be lodged in SRIMS using an **Estimates > Funding proposal**document. It is important that electronic submissions are lodged by the due date as the budget briefings for the Expenditure Review Sub-Committee will be produced from SRIMS.

For further information, please refer to **SRIMS online Training Materials > Estimates** for guidance on issues such as how to create a department or whole of government submission and how to create funding proposal submissions (asset, output and revenue) in SRIMS. We also expect to provide further guidance on SRIMS ahead of Stage 2.

## Questions on budget submissions

Questions related to business case requirements for proposals should be directed to your relevant DTF Relationship Manager or Infrastructure Policy and Assurance contact (details below and at the bottom of the DTF information requests webpage – <http://www.dtf.vic.gov.au/Government-Financial-Management/Budgeting/DTF-information-requests/General-government-relationship-manager-contact-details>).

In addition, questions related to the HVHR framework should be directed to your Infrastructure Policy and Assurance contact.

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| **DTF relationship managers for the general government sector** |
| **Department of Health and Human Services** |
| Emma McCue | Tel: 9651 1365 | Email: emma.mccue@dtf.vic.gov.au |
| Karen Hew (Asset advice) | Tel: 9651 1486 | Email: karen.hew@dtf.vic.gov.au |
| **Department of Justice and Regulation and Court Services Victoria** |
| Paul Donegan | Tel: 9651 6904 | Email: paul.donegan@dtf.vic.gov.au |
| Karen Hew (Asset advice) | Tel: 9651 1486 | Email: karen.hew@dtf.vic.gov.au |
| **Department of Treasury and Finance** |
| Ismo Rama | Tel: 9651 2674 | Email: ismo.rama@dtf.vic.gov.au |
| Marc Costin (Asset advice) | Tel: 9651 5384 | Email: marc.costin@dtf.vic.gov.au |
| **Department of Premier and Cabinet** |
| Chris Mouratidis | Tel: 9651 2201 | Email: chris.x.mouratidis@dtf.vic.gov.au |
| Marc Costin (Asset advice) | Tel: 9651 5384 | Email: marc.costin@dtf.vic.gov.au |
| **Department of Economic Development, Jobs, Transport and Resources** |
| Chris Mouratidis (Non-Transport) | Tel: 9651 2201 | Email: chris.x.mouratidis@dtf.vic.gov.au |
| Craig Vukman (Transport, Ports, Roads) | Tel: 9651 0921 | Email: craig.vukman@dtf.vic.gov.au |
| Mark Wiggins (Transport, Ports, Roads - Asset Advice) | Tel: 9651 1451 | Email: mark.wiggins@dtf.vic.gov.auHeidi Meehan (Creative Industries, Tourism & Major Events - Asset advice) | Tel: 9651 6427 | Email: heidi.meehan@dtf.vic.gov.auKaren Hew (Training & Skills - Asset advice) | Tel: 9651 1486 | Email: karen.hew@dtf.vic.gov.au |
| **Department of Education and Training** |
| Ismo Rama | Tel: 9651 2674 | Email: ismo.rama@dtf.vic.gov.au |
| Karen Hew (Asset advice) | Tel: 9651 1486 | Email: karen.hew@dtf.vic.gov.au |
| **Department of Environment, Land, Water and Planning** |
| Kai Hingmann | Tel: 9651 5398 | Email: kai.hingmann.dtf.vic.gov.au |
| Heidi Meehan (Asset Advice) | Tel: 9651 6427 | Email: heidi.meehan@dtf.vic.gov.au |
| **Parliament** |
| Chris Mouratidis | Tel: 9651 2201 | Email: chris.x.mouratidis@dtf.vic.gov.au |
| Marc Costin (Asset advice) | Tel: 9651 5384 | Email: marc.costin@dtf.vic.gov.au |
| **Auditor-General** |
| Craig Vukman | Tel: 9651 0921 | Email: craig.vukman@dtf.vic.gov.au |
| Marc Costin (Asset advice) | Tel: 9651 5384 | Email: marc.costin@dtf.vic.gov.au**ICT projects** |
| Heidi Meehan | Tel: 9651 6427 | Email: heidi.meehan@dtf.vic.gov.au |
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# Attachments

## Attachment A – Summary list of proposals

## Attachment B – Business case cover sheet

## Attachment C – Long form business case template

## Attachment D – Short form business case template

## Attachment E – Additional guidance