

Application of the Benefits Management Policy



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Application in practice

Better practice benefits management principles apply to all digital and ICT-enabled investments irrespective of size, scale, and complexity. These principles enable the identification, measurement, planning, and realisation of investment benefits through a structured approach that provides program sponsors and Government with confidence that digital and ICT-enabled investments will achieve their intended objectives.

Alignment with these principles is assessed by the DTA during the [Digital Capability Assessment Process \(DCAP\)](#), with all investments required to meet the assessment criteria outlined in the [DTA's Benefits Management Policy \(BMP\)](#). Every in-scope investment is assigned one of three tiers under the DTA's Investment Tiering Model. The tiers enable categorisation of investments on a number of factors, including size, cost and complexity, to ensure fit-for-purpose and proportionate assurance arrangements. The BMP assessment employs this categorisation to ensure lower risk and lower cost investments are not unnecessarily burdened by excessive levels of benefits management oversight and that documentary requirements are commensurate with the assigned tier.

As a result, the BMP is a flexible, scalable policy that can be tailored to the circumstances of each investment. For example, in the 2023-24 Budget, the average funding request for Tier 1 proposals was \$362m; \$74m for Tier 2 proposals; and \$39m for Tier 3 proposals, with wide variation in levels of complexity across all investment tiers. The BMP assessment leverages the detailed Assurance Framework assessment, which is carried out in consultation with the relevant agency, to determine the specific level of benefits management planning and artefacts required in proposals coming forward for budget funding.

The following fictional examples illustrate the range of factors that may influence how the DTA assesses alignment with the BMP, as well as the flexible approach adopted to ensure a 'right-size' application of the BMP's requirements to each tiered investment.

Tier	Our Approach	The Investment	The BMP in Practice
1	Dedicated benefits management plan or benefits realisation plan	<p>Agency A is bringing forward a new policy proposal (NPP) to implement a complex, ICT system over the next seven years. No further budget comebacks are anticipated.</p> <p>At a proposed cost of \$1.2 billion, with complex cross-agency dependencies and significant consequences for delivery failure, the proposal is assessed as a Tier 1 investment.</p>	<p>As mega digital projects such as this have a poor delivery track record, the DTA will seek to ensure very robust benefits planning, including clear articulation of governance, measurement and reporting arrangements prior to recommending proposal approval.</p> <p>With no further opportunity to assess BMP compliance via a future return to Cabinet, the DTA would require all BMP artefacts to be provided to an acceptable standard ahead of decision. This includes benefits dependency maps, individual benefit profiles, detailed benefits governance, and a benefits realisation plan (BRP).</p> <p><i>A Tier 1 proposal should generally articulate between 1 and 5 top-level* benefits.</i></p>
2	Approach developed in consultation with the DTA	<p>Department B plans to digitise rural services across Australia. Initial discovery has been completed and the Department now seeks \$6 million in budget funding to develop a second pass business case. A further comeback for implementation funding of approximately \$75 million is expected in 6-12 months.</p> <p>As the project requires significant cross-jurisdictional engagement and will have a substantial impact on rural communities, it is assessed as a Tier 2 investment. These investments are usually complex and strategically significant but may not have the same whole-of-government emphasis, cost or criticality as Tier 1 investments.</p>	<p>In this case, the BMP approach is modified to take into account the multiple opportunities to review the progress of this investment through its funding cycle.</p> <p>Clear evidence of the planning that has occurred to understand the problem and the potential benefits to be reaped from digitisation is expected with benefits dependency maps also developed and shared. Partial completion of individual benefit profiles may be acceptable at this stage. Governance details may also be fully developed in a future submission.</p> <p>While a draft BRP with a high-level outline of how top-level benefits will be managed, monitored and evaluated is highly desirable at this stage, the plan is only required to be finalised in the second pass business case.</p> <p><i>A Tier 2 proposal should generally articulate between 1 and 3 top-level* benefits.</i></p>
3	Within the NPP	<p>Department C is bringing forward a NPP seeking \$7 million in budget funding to upgrade internal ICT infrastructure. The Department has demonstrated to the DTA that it has undertaken significant planning and testing and implementation is likely to be straightforward and low risk.</p> <p>As the proposal is a lower risk, lower cost investment that is focussed on meeting the needs of one agency, the proposal is assessed as a Tier 3.</p>	<p>BMP requirements will be adjusted to better reflect the type, size, complexity and risk profile of this proposal, with significant consideration given to the Department's early engagement with the DTA and demonstrated evidence of early planning.</p> <p>The agency would be expected to prepare high-level benefits dependency maps and complete individual benefit profiles (noting this may only be for one or two top-level benefits). Governance arrangements and benefits realisation planning are not required to be documented separately to the NPP, but the NPP should clearly articulate how post-implementation benefits will be monitored, reported and realised, and by whom.</p> <p><i>A Tier 3 proposal should generally articulate 1 to 2 top-level* benefits.</i></p>

*Top-level benefits are the highest priority benefits that capture the intent of the investment and will provide the clearest evidence that an investment has achieved its stated aims.

Future Directions

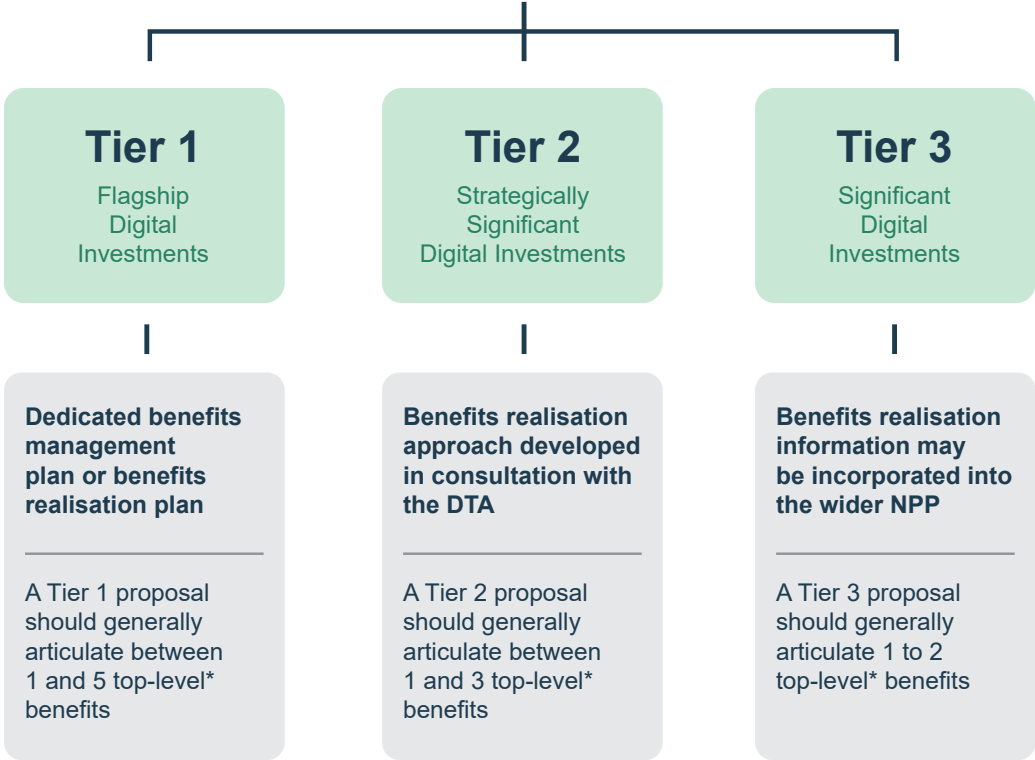
The DTA is in the process of developing benefits realisation planning templates, in consultation with APS agencies, that will provide guidance to agencies completing BMP requirements in the DCAP tool. The templates will clearly define requirements for Tier 1, 2 and 3 proposals, and can be used as standalone documents or to supplement existing benefits management practices in your agency.

Glossary

BRP (Benefits Realisation Plan): The plan that provides a consolidated view of the benefits forecast by category and which represents the baseline against which benefits realisation can be monitored and evaluated. It should also capture governance arrangements, risks to realisation, and assumptions.

NPP: New Policy Proposal

BMP Requirements Per Tier



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Further information:

Tiering of Investments:
[Assurance Framework](#)

Business Case Requirements:
[ICT Investment Approval Process](#)

Contact & Feedback



Please contact us for further information.

We value your feedback and ideas to help improve our processes and information. If you have any comments regarding this document, please share your thoughts with us.

The DTA is actively seeking agency support in ensuring this policy is fit for purpose. If you'd like to be involved, please contact: benefits.management@dta.gov.au