

# Project Controls

## Master Specification

## PC-PL1 Framework for Planning Studies

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# PC-PL1 Framework for Planning Studies

## 1 General

### Scope

- 1.1 This Part defines the framework for delivery of Planning Studies.
- 1.2 A Planning Study will be undertaken across the Proving and Pre-delivery phases of a project which are preceded by the Initiation phase.

### Definitions

- 1.3 The following definitions apply to terms used in this Part:

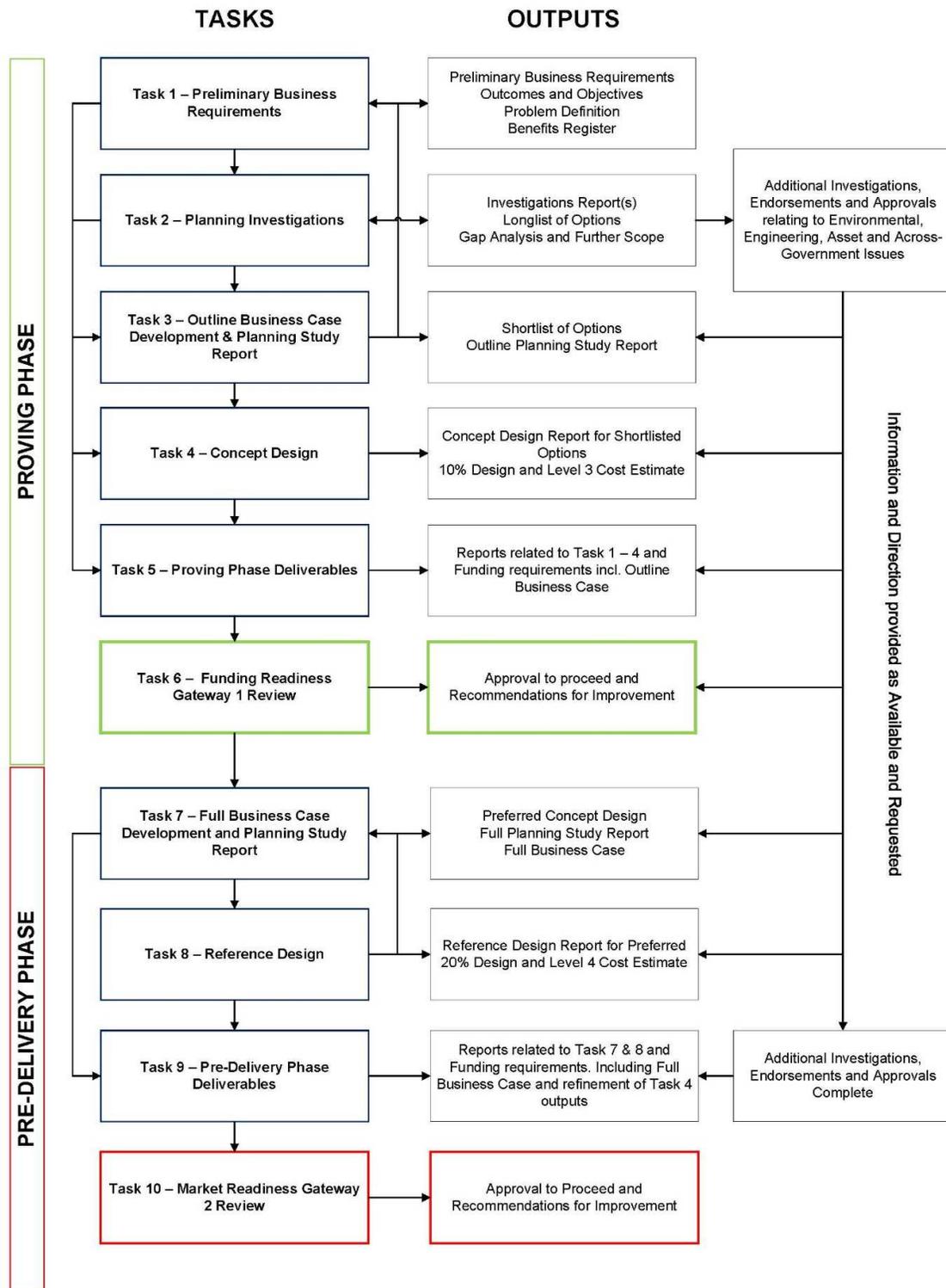
Term	Definition
Business Requirements	Documents the agreed outcomes and objectives for the project.
Planning Investigations (Investigations)	Investigations undertaken by the Principal and / or Contractor to ensure the Planning Study task objectives are met.
Business Case Development	Processes and assessment undertaken by the Principal and / or Contractor to inform a Business Case.

### References

- 1.4 In addition to the requirements of this Part, and where required by the Contract, the Planning Study will be in accordance with the following:
  - a) Master Specification Part PC-PL2 “Planning Investigations”.
  - b) Master Specification Part PC-PL3 “Concept Design Development”.
  - c) Master Specification Part PC-PL4 “Constructability”.
  - d) Infrastructure Australia’s Assessment Framework for Initiatives and Projects to be included in the Infrastructure Priority List, March 2018 (the IA Assessment Framework).
  - e) SA Department of Treasury and Finance Treasurer’s Instruction 17 on Evaluation of and Approvals to Proceed with Public Sector Initiatives (TI17).

## 2 Outline of Framework

- 2.1 The following flow chart outlines the framework for Planning Studies documented in the remainder of this Part.



### 3 Proving Phase

#### Objectives and outcomes of the Proving phase

- 3.1 Objectives include increasing clarity on the project outcomes and benefits to be derived, identifying options and estimating costs to assess value for money and viability.
- 3.2 Planning Investigations (as per PC-PL2 “Planning Investigations”) will commence to ensure critical path items and approvals are known to the Principal early on in the project’s lifecycle.
- 3.3 Outcomes will include agreement of the problems and benefits and preliminary justification for the project prior to receiving funding.
- 3.4 Subject to the proposed funding, deliverables may need to be provided to (amongst others) Infrastructure Australia and the Department of Infrastructure, Regional Development and Cities (DIRDC).
- 3.5 Proving phase deliverables may be required by the Principal for its internal Gateway 1 Review or to support other internal governance reviews.
- 3.6 Tasks 1 to 3 of the Proving phase are iterative and interdependent of each other. These tasks may therefore be undertaken consecutively or concurrently.

#### Preliminary Business Requirements (Task 1)

- 3.7 The Task 1 objective is to identify, understand and align on the problems and benefits of the project.
- 3.8 Inputs will include Initiation phase documents prepared by the Principal and the Principal’s strategic framework for benefits, including Outcome Statement(s), Initiative Proposal(s) and Benefits Register(s). It will also include strategic context, anticipated problems and benefits. If available, background technical reports and lessons learnt will also be provided by the Principal.
- 3.9 The Contractor shall develop additional inputs necessary to deliver on the task objectives.
- 3.10 The Contractor shall develop the Preliminary Business Requirements. As a minimum, this will include a review of the available information and a workshop with the Principal.
- 3.11 The key output of the task will be:
  - a) a Preliminary Business Requirements Report. The Report (whether preliminary or final) will document the problems identified that need to be addressed by the project and in turn the expected benefits and potential dis-benefits (outcomes and objectives) that will result.
- 3.12 Approval of the Preliminary Business Requirements Report is a **Hold Point**.

#### Planning Investigations (Task 2)

- 3.13 The Task 2 objectives are:
  - a) to understand how issues and opportunities associated with the existing engineering, environmental and heritage conditions, land ownership, legislation, community or social profile in the area of the proposed project may affect selection of options and the cost and time of delivery of the project;
  - b) to ensure de-risking of critical path items and approvals is expedited; and
  - c) to generate options that address the Business Requirements.
- 3.14 The Principal shall endeavour, where available, to provide relevant inputs including background technical reports.
- 3.15 The Contractor shall undertake Planning Investigations (Investigations) sufficient to deliver on the task objectives. This will include development of a long list of options and cost estimation. Investigations will be in accordance with the following:
  - a) Master Specification PC-PL2 “Planning Investigations”.

- 3.16 In the course of its Investigations, and as soon as practical once identified, the Contractor shall inform the Principal of critical path items and approvals and any additional Investigations that should be expedited in order to meet the Principal's program or given the materiality of the item or approval.
- 3.17 As per the requirements of PC-PL2 "Planning Investigations", the Contractor shall prepare Investigation Report(s) summarising Investigations undertaken and documenting findings, a gap analysis (where relevant) and recommendations for further Investigations (if any).

### Outline Business Case Development and Planning Study Report (Task 3)

- 3.18 The Task 3 objective is to assess the outputs of the Preliminary Business Requirements (Task 1) and Planning Investigations (Task 2) through development of an Outline Business Case.
- 3.19 As a minimum this will include the following:
- a) economic evaluation of the project including (where possible) monetisation of the problems and benefits;
  - b) development of one or more robust assessment methodologies, suitable for the specifics of the project's size and complexity;
  - c) application of the assessment methodology to the long list of options to derive a shortlist; and
  - d) engagement with the Principal during, and as in input to, the process to ensure alignment.
- 3.20 Approval of the assessment methodology shall constitute a **Hold Point**.
- 3.21 Approval of the shortlist of options shall constitute a **Hold Point**.
- 3.22 The key task output will comprise an Outline Planning Study Report. As required by the Contract Documents or in order to deliver on the objectives of the Planning Study, this will document the Planning Study activities undertaken including the following:
- a) the quantification and monetisation (where possible) of the problems and benefits;
  - b) an outline Strategic Merit Test that documents the project's alignment with Principal, State and Commonwealth strategic policies and objectives;
  - c) outputs of PC-PL2 "Planning Investigations";
  - d) the options assessment framework or methodology used;
  - e) the economic and financial analysis;
  - f) the shortlist of options; and
  - g) where required by the Contract Documents, a high level estimate of greenhouse gas emissions and materials lifecycle impacts for each shortlisted option.

### Concept Design (Task 4)

- 3.23 Following shortlisting, shortlisted options will be developed to Concept Designs in accordance with the following and documented in a Concept Design Report:
- a) PC-PL3 "Concept Design Development";
  - b) PC-PL4 "Constructability Assessment"; and
  - c) PC-PL5 "Cost Estimation".

### Proving Phase Deliverables (Task 5)

- 3.24 Draft versions of all deliverables described in this Part will be provided to the Principal electronically via email for review and comment prior to issue of final versions.
- 3.25 The Principal shall provide a single set of consolidated review comments to the Contractor for each draft deliverable.
- 3.26 Key deliverables for the Proving Phase are as follows:
- a) Preliminary Business Requirements;

- b) Outline Planning Study Report; and
  - c) Concept Design Report.
- 3.27 The Contractor shall also prepare the following Proving phase Planning Study deliverables:
- a) subject to the capital value of the project and source of funding, the following business case documents:
    - i) an Outline Business Case Report which includes (amongst other things) the problem and benefit definition, why this is a priority for the State, the range of options identified and assessed, the short list of options and the rationale for proceeding to further assessment and business case development;
    - ii) a Development Phase Project Proposal Report (PPR) suitable for submission to the Department of Infrastructure, Regional Development and Cities (DIRDC); and
    - iii) a completed Stage 1 and Stage 2 Infrastructure Australia Assessment Framework submission.
  - b) Technical and Project Management Deliverables:
    - i) standalone technical deliverables resulting from PC-PL2 “Planning Investigations”, acknowledging these may be appended to the Planning Study Report;
    - ii) an Environmental Impact Assessment Report (EIAR) including a roadmap for project approvals;
    - iii) a Planning Study Decisions Register including records of any consultation with the Principal or stakeholders; and
    - iv) a preliminary Risk Register.
- 3.28 Provision of comments on draft deliverables shall constitute a **Hold Point**.

## Gateway 1 Review / Governance Review (Task 6)

- 3.29 If specified in the Contract Documents, the Principal shall co-ordinate and schedule an internal Gateway 1 Funding Readiness Review in accordance with its Gateway Review Framework.
- 3.30 If specified in the Contract Documents, the Contractor shall be required to participate in the Gateway Review, including supply of Proving Phase deliverables and attendance at Gateway Review interviews.
- 3.31 If a Gateway 1 Review is not undertaken, the Principal may undertake an alternative internal governance review of the Project that the Contractor may be required to participate in.
- 3.32 Approval to proceed from the Proving phase tasks to the Pre-delivery phase shall constitute a **Hold Point**.

## 4 Pre-delivery Phase

### Objectives and outcomes of the Pre-delivery phase

- 4.1 Objectives include refining the project scope, the approach to delivery (including procurement) and the commitment to the project.
- 4.2 Inputs will include outputs of the Proving phase and recommendations of the Gateway 1 Review (if any) in the form of a Recommendations Action Plan (RAP).
- 4.3 Outcomes will include funding commitment and foundation documentation to facilitate the commencement of the Procurement phase.

### Full Business Case Development and Planning Study Report (Task 7)

- 4.4 The Task 6 objective is to adopt a preferred option that best delivers on the Preliminary Business Requirements and that addresses the risks identified.

- 4.5 Task inputs will include outputs of the Proving phase and new information provided by the Principal or Contractor as a result of internal review processes and additional Investigations (if any).
- 4.6 The Contractor shall undertake Business Case Development sufficient to deliver on the task objectives and with reference to the following:
- a) Master Specification PC-PL2 "Planning Investigations".
- 4.7 As a minimum this will include undertaking the following for the short-listed Concept Designs:
- a) refinement of the assessment methodology (developed in Task 3) and re-prosecution of the shortlisted and developed Concept Designs using updated and additional information from Investigations;
  - b) identification of a preferred Concept Design; and
  - c) engagement with the Principal during, and as in input to, the process of recommending a preferred Concept Design to ensure alignment.
- 4.8 Approval of the preferred Concept Design shall constitute a **Hold Point**.
- 4.9 The key task output will comprise a Full Planning Study Report. As required by the Contract Documents or in order to deliver on the objectives of the Planning Study, this will document the Planning Study activities undertaken across the Proving and Pre-delivery phases including the following:
- a) the quantification and monetisation (where possible) of the problems and benefits;
  - b) a Strategic Merit Test to assess the project's alignment with Principal, State and Commonwealth strategic policies and objectives;
  - c) definition of a "do minimum" base case option;
  - d) relevant outputs of PC-PL2 "Planning Investigations";
  - e) the shortlisted and preferred Concept Designs;
  - f) project funding and budget impacts including cash flow, program and procurement planning;
  - g) the options assessment framework;
  - h) the economic analysis including Benefit Cost Analysis;
  - i) financial analysis including an assessment of the potential source of project revenue; and
  - j) the final value for money assessment including correlation of the qualitative and monetised analysis to derive the preferred Concept Design.

## Reference Design (Task 8)

- 4.10 The Contractor shall undertake development of the Concept Design to Reference Design in accordance with the following and documented in a Reference Design Report:
- a) PC-PL3 "Concept Design Development";
  - b) PC-PL4 "Constructability Assessment"; and
  - c) PC-PL5 "Cost Estimation".

## Pre-delivery Phase Deliverables (Task 9)

- 4.11 Draft versions of all deliverables described in this Part will be provided to the Principal electronically via email for review and comment prior to issue of final versions.
- 4.12 The Principal shall provide a single set of consolidated review comments to the Contractor for each draft deliverable.
- 4.13 Key deliverables of the Pre-delivery phase are as follows:
- a) Full Planning Study Report; and
  - b) Reference Design Report.

- 4.14 The Contractor shall also prepare the following Pre-delivery phase Planning Study deliverables:
- a) subject to the capital value of the project and source of funding, the following business case and State and Commonwealth submissions:
    - i) full Business Case Report including the preferred option, results from financial, economic, social and environmental analysis that demonstrates that the preferred option is justified and best value for money, benefits and the primary benefits management strategies proposed and key risks and the primary risk management measures proposed;
    - ii) a Delivery Phase Project Proposal Report (PPR) suitable for submission to the Department of Infrastructure, Regional Development and Cities (DIRDC);
    - iii) a completed Stage 4 Infrastructure Australia Assessment Framework submission;
    - iv) an Executive Summary Report suitable for Cabinet Submission;
    - v) a Public Works Committee (PWC) submission. The submission will be lodged, and acquittal sought, by the Principal; and
    - vi) an Ecologically Sustainable Development Report to be attached to the PWC submission.
  - b) Planning Study and Technical Deliverables:
    - i) final Business Requirements, to be updated and refined from the Preliminary Business Requirements (Task 1) and considering outcomes of the subsequent tasks;
    - ii) standalone technical deliverables resulting from PC-PL2 "Planning Investigations" to be updated from Task 2 and including additional Investigations that may have been undertaken by the Contractor in the course of the Planning Study or provided by the Principal;
    - iii) an EIAR, to be updated and refined from the Proving Phase EIAR (Task 4) and including additional assessment and investigation data collected by the Contractor in the course of the Planning Study or provided by the Principal;
    - iv) a Project Report, to be no more than 40 pages in length and of sufficient quality, consistency and writing style (i.e. non-technical), to enable it to be provided to the community to communicate (amongst other things) the project scope, background, benefits and a summary of environmental, social and economic effects and mitigation measures;
    - v) visual media representing the Reference Design suitable for the Principal to use in communication of the preferred Concept to the community and stakeholders; and
    - vi) a Sustainability Plan for the preferred Concept Design / Reference Design that includes a summary of the most significant sustainability risks / impacts and opportunities associated with the project including:
      - high level estimates of whole of life greenhouse gas emissions, waste volumes, water use and materials lifecycle impacts;
      - suggested sustainability initiatives for the design and construction of the asset; and
      - suggested Minimum Sustainability Requirements.
  - c) Project Management and Governance deliverables:
    - i) a Stakeholder Engagement Plan for use by the Principal. As a minimum, the plan will support the EIAR by including stakeholders related to the environmental and heritage impacts and associated approvals. It will also include indicative timing of engagement;
    - ii) a Final Planning Study Decisions Register including records of any consultation with the Principal or stakeholders;
    - iii) a Risk Register for use by the Principal, to be updated and refined based on the Preliminary Risk Register (Task 2). The Risk Register will be based on outcomes of the Study and will complement the suite of deliverables described above by documenting the key risks identified in each; and
    - iv) a Planning Study Lessons Learnt Report and Register for inclusion by the Principal in its Project or Program Lessons Learnt Register.

4.15 Provision of comments on draft deliverables shall constitute a **Hold Point**.

## Gateway 2 Review / Governance Review (Task 10)

- 4.16 If specified in the Contract Documents, the Principal shall co-ordinate and schedule an internal Gateway 2 Market Readiness Review in accordance with its Gateway Review Framework.
- 4.17 If specified in the Contract Documents, the Contractor shall be required to participate in the Gateway Review, including supply of Proving Phase deliverables and attendance at Gateway Review interviews.
- 4.18 If a Gateway 2 Review is not undertaken, the Principal may undertake an alternative internal governance review of the Project that the Contractor may be required to participate in.

## 5 Hold Points

- 5.1 The following is a summary of Hold Points referenced in this Part:

Document Ref.	Hold Point	Response Time
3.12	Approval of the Preliminary Business Requirements	5 Working Days
3.20	Approval of the assessment methodology	5 Working Days
3.21	Approval of the shortlist of options	5 Working Days
3.28	Provision of comments on draft Proving Phase deliverables	10 Working Days
3.31	Approval to proceed from Proving to Pre-delivery Phase	5 Working Days
4.8	Approval of the preferred Concept Design	10 Working Days
4.15	Provision of comments on draft deliverables	10 Working Days