

# 2019 FOOTBALL FACILITIES FORUM



Speers Point – 9th November

# **The Importance of Preparing a business case for football facility upgrades**

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The Things that matter

# What is a Business Case?

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The business case brings together the benefits, disadvantages, costs, and risks of the current situation and future vision so that executive management and Government Agencies can decide if the project should go ahead.

1. What problem are you solving?
2. What goals can your organisation achieve with this opportunity?

# Why is a Business Case Important?

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- The business case (or a detailed application) is essential when resource or expenditure on a project has to be justified or a grant funding is being made (for example to Office of Sport NSW).
- The purpose of the business case is communication. Therefore, each section should be written in the language and context of the intended audience.
- You will need to clearly articulate the project, its intent and what the cost and implications are for the project. It can assist with crystallising the true cost and impact of the project.

# Project Definition

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- This is the largest part of the business case and is for the project sponsor, stakeholders, and project team.
- It answers most of the *why*, *what*, and *how* questions about your project.
- Spending time answering these questions can prompt you to consider alternatives or prepare programmes which impact the cost or benefit aspects of the project.

# Three Main Assessment Criteria

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## Criteria 1: Strategic Alignment

- Consistency with the NSW Government priorities, state/national sporting organisation and local council strategic plans. The project's capacity to improve participation in sport and the use of sporting facilities will also be assessed.

*Is your proposal consistent with a plan or policy from Council or the State Government that already exists?*

## Criteria 2: Affordability

- Demonstrate affordability of the project relative to the available funding, taking into account net lifecycle costs, and allowing for ongoing operating and maintenance requirements, realistic budgets.

*Who is going to pay future additional operating costs (e.g. servicing, cleaning, utilities bills? The Association, Club, Council...are these budgeted for?)*

## Criteria 3: Deliverability

- Robust procurement strategies, project management and risk management.

*Can you provide the assurance that you have the professional skills in your team – Project Management, Quantity Surveyor, etc - to deliver a success story?*

# Two-Step Process

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## Step 1: Expression of Interest (EOI)

- High level information about the project and the applicant
- Letter of support from Football NSW to accompany EOI
- Letters of support from Local Member(s)

Successful EOIs move onto Detailed Application / Business Case submission

## Step 2: Detailed Application/ Business Case

- Detailed application required for projects <\$5m. Work includes a project plan and budget.
- Business case required for projects >\$5m. Will likely require a specialist business case resource to undertake financial modelling of cost/benefits.
- This stage requires more detail including value for money, sustainability and the level of contingency/ risk

[www.sport.nsw.gov.au](http://www.sport.nsw.gov.au) has templates and checklists on their website for easy guidance through the paperwork process.

## Other Considerations for Submission

- Planning approvals (planning permissibility, Development Applications.....**can you actually do what you are intending?). Planning approval is key risk – if you can demonstrate approval it will be a major advantage.**
- Quantity Surveyor (cost assessor) – **independent opinion of costs.**
- Contamination and remediation – **parks and fields often have historic issues with fill material that can be disturbed during construction. Testing via an Environmental Consultant will assist in quantifying these risks.**
- Deliverability considerations – **is the site accessible by road? Is your programme realistic? Does it account for weather? Will you lose existing facilities during construction? Alignment with sporting seasons**
- Neighbours – **noise, light glare, pollution, parking, traffic considerations – will your proposal increase usage of the facility and potential to impact the neighbours?**
- Delivery – tendering, builder/ contractor selection, contract administration, change management, budget management – **who will be managing this process?**





# Examples of AVER Sports and Facilities Projects



Kogarah Golf Club



Allianz Stadium Upgrades



Western Sydney Stadium



Football NSW 'Home of Football'



Rugby League Central



Sydney Football Stadium  
Redevelopment