

# CONCEPT PLAN GUIDELINE FOR CAPITAL PROJECTS



**Ministry of Finance  
&  
Infrastructure BC**



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# TABLE OF CONTENTS

- 1. HOW TO USE THIS GUIDELINE ..... 1
- 2. CONCEPT PLAN PROJECT PLANNING..... 2
- 3. CONCEPT PLAN DOCUMENT - INTRODUCTION ..... 5
- 4. CONCEPT PLAN DOCUMENT PART A: NEED FOR INVESTMENT ..... 6
- 5. CONCEPT PLAN DOCUMENT PART B: SERVICE DELIVERY OPTIONS ANALYSIS  
AND PROJECT SCOPE ..... 9
- 6. CONCEPT PLAN DOCUMENT PART C: PROCUREMENT OPTIONS ANALYSIS.....20
- 7. CONCEPT PLAN DOCUMENT PART D: FUNDING AND NEXT STEPS .....21
- 8. CONCEPT PLAN DOCUMENT PART E: DECISION REQUEST .....22
- APPENDIX A: CONCEPT PLAN TABLE OF CONTENTS .....23
- APPENDIX B: GOVERNMENT POLICIES OR STANDARDS THAT MAY APPLY TO CAPITAL  
PROJECTS .....24

## 1. HOW TO USE THIS GUIDELINE

Treasury Board Staff (TBS) prepared this guideline with assistance from Infrastructure BC (previously known as Partnerships BC) as an additional resource to the [Capital Asset Management Framework](#) (CAMF) to help ministries and agencies develop concept plans for capital projects and provide clarity on how to meet existing and emerging requirements for capital planning and approvals. This document does not apply to information technology projects.

The contents of the guideline align with the recommended sections for a concept plan. TBS expects all concept plans or equivalent, regardless of author, format or label, to contain the following content:

- Executive Summary;
- Part A: Need for Investment;
- Part B: Service Delivery Options Analysis and Project Scope;
- Part C: Procurement Options;
- Part D: Funding and Next Steps; and
- Part E: Decision Request.

[Appendix A](#) outlines the table of contents for a concept plan.

This document was developed to provide guidance and best practices to address a wide variety of capital projects, but TBS recognizes ministries and agencies may need to adjust and structure the content of their concept plans to match the size, complexity and unique aspects of specific projects.

Ministries and agencies are encouraged to seek additional expertise and support for their capital projects while using this document. This may include internal experts, consultants external to the Province of British Columbia (government) and/or Infrastructure BC

## 2. CONCEPT PLAN PROJECT PLANNING

### 2.1 WHEN IS A CONCEPT PLAN REQUIRED?

Ministries and agencies may receive direction from Treasury Board, executive staff (or in the case of agencies from their responsible ministries) to develop a concept plan for a specific project. This generally occurs during the capital planning process as part of government's budget cycle. See the [CAMF chapter on consolidated capital planning](#) for more information.

Project teams should discuss requirements with decision makers if there is uncertainty regarding the need for a concept plan.

Government typically recommends project teams submit a concept plan for approval prior to investing in a [business plan](#) for major or complex projects. Projects that may benefit from a concept plan include:

- Projects which may form a first phase, or a pilot intended for replication;
- High-profile projects with public-interest sensitivities; and
- Large, complex projects with multiple stakeholders and funding sources.

While project teams should consider a concept plan for each proposed project, a concept plan may not be required for smaller projects (i.e. less than \$50 million) and less complex projects such as highway paving or bridge rehabilitation.

### 2.2 PURPOSE OF A CONCEPT PLAN

Capital asset management is the process of identifying current and future capital needs and developing strategies and projects to address those needs.

The purpose of a concept plan is to give decision makers enough information to provide direction on project scope, timing, budget, financing and other priorities before the project's owner commits additional time and resources to formally develop a detailed business plan for the project.

Although some content overlaps, a concept plan is less detailed than a business plan. A concept may plan present:

### THE CONCEPT PLAN SHOULD PROVIDE ANSWERS TO THE FOLLOWING KEY QUESTIONS:

Do the current / forecast levels of service demand exceed the available capacity of the asset?

Is the condition of the existing asset inadequate to meet current / forecasted demand? If so, is it cost-effective to rehabilitate the existing asset to address demand requirements?

What are the potential benefits of responding to the need?

What are the potential risks of not responding to the need (i.e. maintaining status quo)?

What are possible service delivery options? Is there a need for a capital service delivery solution to address the need?

What are the respective estimated costs, risks, and delivery timeframes to address the need for each short-listed service delivery option under consideration?

- The need and rationale of investing in the project, including detailed data (e.g. service demand forecasts and current facility condition assessments, including risks related to the condition of the current asset(s) used for service delivery);
- Preliminary review of approaches to address the service needs based on either service delivery models (e.g. hub and spoke model for health care) or service delivery options (e.g. build new, renovate) which typically results in a recommended service delivery option to be examined in more detail during business plan development;
- Master programs for the service delivery options being considered, including a minimum order of magnitude / Class “D” cost estimate (+/- 20 to 30% certainty depending on the complexity of the project);
- Total capital cost estimate to compare the short-listed service delivery options being considered;
- High-level timeline for implementation;
- Description of viable procurement models for analysis in the business plan;
- Possible funding sources and estimated amounts of funding that may be provided by each source, if possible;
- Next steps, including identification of the governance model for the project; and
- Decision request.

## **2.3 GOVERNANCE**

The first step in project planning is to develop a governance structure to guide decision making for the project. The governance structure should be flexible to accommodate different needs as the project moves through the planning, procurement and implementation phases (e.g. concept plan, business plan, procurement, implementation<sup>1</sup> and operations, if applicable).

The concept plan should explain the governance structure. Simple structures, such as a senior steering committee, can be very effective in moving the project forward through concept plan development.

If the project owner (e.g. ministry or agency) already has a project board for a different project requiring similar skills and experience, the project owner may expand the scope of the existing project board to include the new project.

## **2.4 IDENTIFY APPROVALS REQUIREMENTS**

Ministries and agencies should identify the approvals required for the concept plan and determine how long approvals are expected to take. This includes any approvals required by governance bodies, other levels of government, ministry or agency executives, boards of directors, ministers, Treasury Board or Cabinet.

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<sup>1</sup> Design and construction of the project.

Government uses a risk-based approach to capital project approvals. This means submission, approval and reporting requirements vary according to individual project, ministry or agency risk profiles.

Approval processes may also vary depending on the project complexity and the specific ministries or agencies involved. For example, internal approvals for a steering committee may only require two weeks, while the approval process for Treasury Board may take six weeks or more.

The project team should consult with relevant staff, such as a ministry TBS analyst, to determine specific approval conditions and to identify anticipated timelines. Ministries responsible for the oversight of agencies will need to clarify their own capital-related approvals for those agencies.

## **2.5 DEVELOP A WORK PLAN**

The development of a work plan assists in the overall management of work. The project team should identify and prioritize tasks to create a detailed schedule. Some tasks may be completed in parallel while others may be sequential. Clear identification of the tasks, their precedents and duration will support the funding and resource estimates needed to complete the work. These estimates may be approved internally or may need further approvals if multiple stakeholders are funding the work.

Technical studies are typically required to support the concept plan and these studies may have a long lead time to complete. Examples of these studies include:

- Demand projections;
- Master program; and
- Master plan.<sup>2</sup>

It may take the project team six months to prepare the concept plan for submission; however, this will vary depending on the project's complexity. For example, based on the project owner's readiness and number of user groups and stakeholders, it may take six months to prepare a master program for a complicated hospital redevelopment. However, if the project owner has recent experience implementing a similar project, the master program may only take four to six weeks to complete.

The Ministry of Finance recommends project owners rely on relevant, recent experience to support a concept plan for new projects when possible.

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<sup>2</sup> Technical studies will vary depending on the needs of the project.

## 3. CONCEPT PLAN DOCUMENT - INTRODUCTION

### 3.1 EXECUTIVE SUMMARY

The executive summary of the concept plan should include a high-level summary of the document's key components broken down into the following sections:

- General description of the concept plan's purpose;
- Brief description of the short-listed capital service delivery options, including the recommended capital service delivery option.
- Funding requirements (e.g. build up of total capital cost estimate) and possible sources;
- Next steps in the planning phase including the governance structure used for the development of the business plan, procurement and delivery of the project; and
- Decision request.

Executive summaries should be concise and focused; best practice suggests the executive summary should be no more than ten percent of the total length of the concept plan.

### 3.2 APPROACH

The concept plan should include a brief section outlining the approach used to develop the concept plan, including:

- How the project team determined the demand forecast and condition of the existing infrastructure;
- How the project team determined the scope of the service delivery options (e.g. the development of a master program/master plan);
- Process used to undertake the service delivery option's analysis (e.g. the decision-making framework or specific method such as Multiple Criteria Analysis);
- Method used for costing purposes (e.g. unit rates or order of magnitude cost estimate); and
- Description of the project team.

This section may be separate from, or contained within, the executive summary.

## 4. CONCEPT PLAN DOCUMENT PART A: NEED FOR INVESTMENT

The demand for future service delivery is one of the primary focuses of the concept plan and this section sets the foundation for the project rationale. Part A of the concept plan should be as detailed and developed as possible; it forms the basis for Part A of the business plan, with appropriate updates.

The purpose of Part A of the concept plan is to provide background information and rationale for the project. Part A should provide relevant context and clearly demonstrate how the existing infrastructure does not meet the needs of current or future service demand in its present state. This is accomplished by describing the capital asset's current condition (including functionality) and future demands on the existing infrastructure and the services it supports (including any capabilities and limitations).

It is important to outline the main reasons for the proposed capital investment to facilitate decision making and to support the further development of service delivery options in Part B of the concept plan.

### 4.1 BACKGROUND AND CONTEXT

Decision makers need relevant background information to make sound choices. The content of this section will vary by project but generally includes identifying the project owner, key user groups and stakeholders, the ministry's or agency's mandate to deliver services or programs, any direction from senior levels of government and references to other strategic plans, programs and key initiatives.

First, clearly identify the project owner (e.g. ministry or agency) and describe its mandate or authority for providing the program or service. Identify any user groups and key stakeholders or partners that need to be consulted or involved during the project, including consultations with equity-seeking groups and the potential to partner with Indigenous communities.

Second, identify any linkages to strategic plans or direction from government, ministry or agency leadership. This may include references to broad government priorities, mandate letter direction or key goals in a service plan. It may also include any public commitments made by government, the ministry or agency relevant to the services provided through the infrastructure. [Appendix B](#) outlines some government priorities and requirements which may be applicable to capital projects.

Finally, provide any other relevant contextual information as necessary. This may include assumptions, constraints, critical timing issues, commitments by partners or other requirements that affect the project, including conditions imposed by Treasury Board.

Project teams should limit the background information in the body of the concept plan to what decision makers need to understand the proposed project. However, project teams must demonstrate due diligence by providing relevant information in appendices to the concept plan and maintaining project documentation in accordance with government policy. The [Capital](#)

[Project Documentation Checklist](#) helps ministries and agencies record the key capital project documents, determine who should keep them and identify the documents' location.

## **4.2 CURRENT CONDITION, DEMAND AND NEED FOR INFRASTRUCTURE**

The purpose of this section is to establish a baseline understanding of the current infrastructure and its ability to meet program requirements or deliver services. This section should clearly identify the current condition of the existing asset and program, any problem that requires a solution and the need for capital investment by identifying:

- The asset(s) currently used to support program delivery, including the date of construction, renovation or addition, and current asset condition, service demand and needs;
- Any significant risks or issues that have emerged with service delivery, including inequitable access to services and climate risks such as wildfires and/or floods; and
- How the owner is managing these risks and any outstanding concerns (e.g. client/staff safety, negative effects on service quality, over-crowding of facility space, lengthy travel times on roads/ bridges, high vehicle accident rates, backup power supply, cross-dependencies with other infrastructure).

The assessment should also include a broad enough geographic region to understand how neighbouring facilities or infrastructure may be influencing the current situation.

## **4.3 FUTURE DEMAND OR NEEDS REQUIREMENTS**

This section summarizes the future demand forecast and whether the existing infrastructure supports future program needs as demonstrated by available data such as: demographic forecasts (including for different subpopulations), changes to service levels or programs, anticipated changes in the future use of assets over the long term, or climate considerations that may affect the infrastructure or critical systems.

This data should be presented via a comprehensive analysis that justifies the need for a capital investment. For example, information should include:

- Forecasted demand for the government service (e.g. client caseload growth and composition, forecast traffic volumes) over the medium or long term with a description of the extent to which the capacity and/or functionality of the existing asset(s) can or cannot meet the forecasted demand or purpose (e.g. forecast changes in facility space utilization rates, change in program policies, travel times on transportation corridors, incident frequency). Efforts should be made to identify trends such as technological or climate trends that may materially affect future need; and
- Condition of the existing asset(s) using established measures (e.g. facility condition index, road/bridge condition indices) to determine whether the condition of the asset(s) can adequately meet future service needs.

#### **4.4 CONCLUSION**

The conclusion should clearly state the need for investment by demonstrating how the existing infrastructure fails to meet the needs of current and/or future program demand due to condition, functionality and/or capacity. The conclusion may include an assessment of whether the existing infrastructure aligns with strategic plans. The project team should also distinguish between current needs and future needs to allow for the prioritization and phasing of projects across government.

## 5. CONCEPT PLAN DOCUMENT PART B: SERVICE DELIVERY OPTIONS ANALYSIS AND PROJECT SCOPE

Part B sets out the key aspects of the project consistent with the need for investment identified in Part A. This includes the project principles and objectives, and the master program/master plan. Part B also lays out the service delivery options analysis, which typically concludes with one recommended capital service delivery option.

### 5.1 GUIDING PRINCIPLES AND PROJECT OBJECTIVES

This section identifies and describes the guiding principles and objectives for the project to inform decision making and support the evaluation of project success during project close out.

Guiding principles are qualitative, high-level statements of values used to steer decision making for the project. For example, a guiding principle for a hospital project may be “delivery of high-quality health services” with a brief explanation to ensure its meaning is clear.

Public policies and initiatives reflect the overarching priorities of government and should be incorporated into the guiding principles and project objectives as appropriate. Examples include delivery of gender inclusive, mass timber and/or climate resilient buildings and culturally appropriate spaces. Project teams may elect to include public policies in the guiding principles or project objectives for a project. Treasury Board budget letters may also outline requirements.

Project objectives are specific goals used to measure the success of a project. Objectives should be as focused, precise and limited to a reasonable amount. The project objectives should be measurable and outcomes-based to support the criteria required for the service delivery options analysis, and a performance management and reporting framework for the project that will be developed in the business plan.

Table 1 provides an example of how the project objectives, service delivery options analysis criteria and criteria definition may be reflected in the concept plan.

**Table 1: Example of Project Objectives and Options Analysis Criteria**

| PROJECT OBJECTIVE  | CRITERIA                    | CRITERIA DEFINITION  |
|--|-----------------------------|--|
| Incorporate evidence-based design features that support trauma-informed services, improve the healing environment, enable culturally safe care for Indigenous people and are welcoming to all communities served by the project. | Provide quality healthcare. | Create an environment that is conducive to recognizing and responding appropriately to the needs of trauma survivors.<br>Create a patient-centred environment through exposure to nature and sunlight that can help patients and families cope with the stress that accompanies illness. |

| PROJECT OBJECTIVE | CRITERIA | CRITERIA DEFINITION  |
|-------------------|----------|--|
|                   |          | Create an environment that respects the Indigenous culture and enables culturally safe care.<br>Create an environment that is welcoming to all communities served by the new hospital. |

The project team should develop guiding principles, project objectives and criteria in consultation with the governance body established for the project. Ministries and agencies should also ensure all key stakeholders and partners have a consistent understanding of what is to be achieved from the project.

**5.2 MASTER PROGRAM**

The master program typically outlines the space needs and functional relationships that, in turn, may be used to develop a conceptual development plan (or master plan).

The master program should meet the future demand forecast and need for investment identified in Part A and ideally remain the same regardless of the service delivery options analyzed.

Although the overall description should be as comprehensive as possible to inform decision making, the master program does not normally include the development of an operational plan. The focus of the master program is on space needs and adjacencies. Detailed space planning and operational planning is typically reserved for the functional program developed for the business plan.

Depending on the project type, the master program considerations may take many forms as shown by the examples below.

- **Transportation Sector:**
  - **Transportation projects:** requirements such as length of road/highway, number of lanes, HOV lanes and number of interchanges; and
  - **Transit projects:** requirements such as route and number of stations/stops.
- **Health Care Sector:**
  - **Hospital projects:** component sizes (e.g. size of emergency department), number and types of inpatient beds (e.g. pediatric, mental health, medical surgical), operating rooms and other relevant components; and
  - **Long term care projects:** component sizes (e.g. size of residential care units), number and types of beds (e.g. dementia, complex care, assisted living), mobility needs, parking spaces and other relevant components.

- **Energy Sector:**
  - **Generating station projects:** requirements of major facility components and systems such as water conveyance, bypass system, hydraulic transient management system, environmental flow release system; and
  - **Worker accommodation projects:** lobby and registration, guest rooms, food services, fitness facilities, general recreation and training.
- **Public Safety Sector:**
  - **Correctional facilities:** the number of cells, security classification of cells and a general description of the programs.
  - **Courthouses:** the number, classification, and security of courtrooms, hearing rooms, and a general description of the components within the building supporting court activities.
- **Education Sector:**
  - **K-12 schools:** number of students, special purpose rooms, outdoor facilities and gathering spaces.

The above is not a comprehensive list and varies significantly by sector.

### 5.3 SERVICE DELIVERY OPTIONS ANALYSIS

The service delivery options analysis should first consider non-capital strategies before capital strategies. Identifying feasible non-capital strategies can save ministries and agencies significant time and resources. If a non-capital service delivery option is identified and shown to meet the need and project objectives, ministries and agencies may stop the concept plan development process to pursue operational strategies accordingly.

If capital strategies are pursued, project teams should identify all viable capital service delivery options and define the preliminary project scope before assessing the capital service delivery options against defined, qualitative criteria to produce a short list of options within the scope of the project.

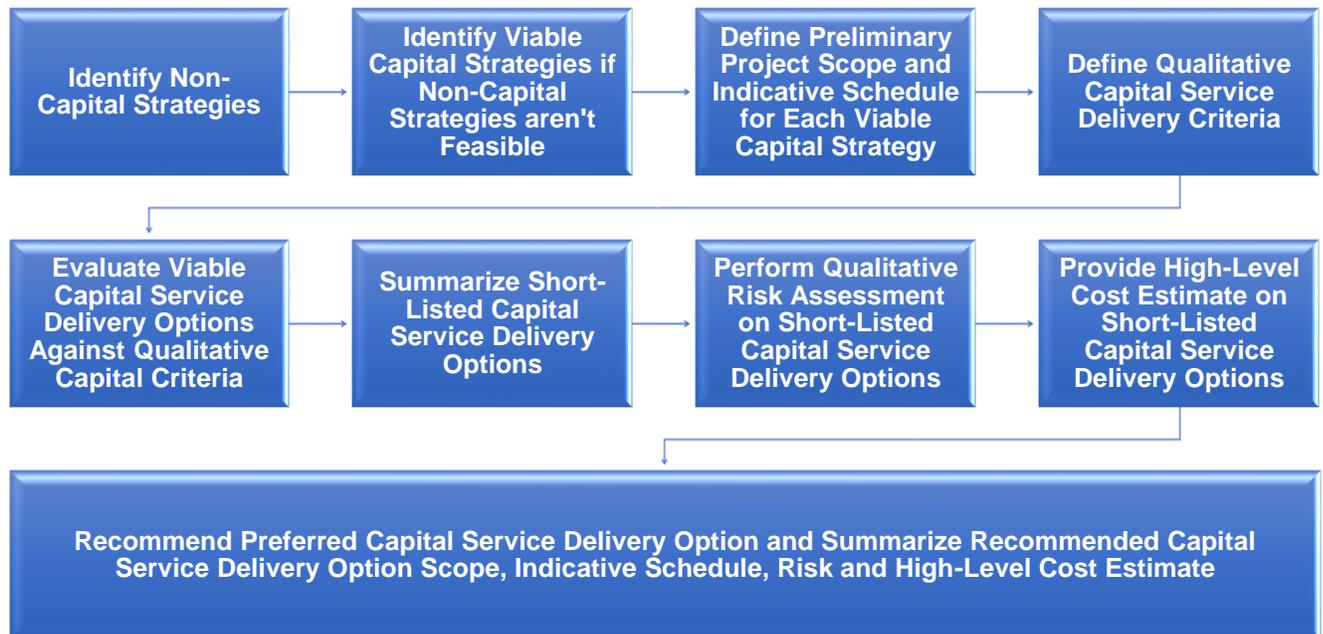
Next, the project team should perform a qualitative risk assessment and a minimum Class D or equivalent order of magnitude cost estimate on the short-listed capital service delivery options to determine the recommended option.

The conclusion to the service delivery options analysis should recommended the preferred capital service delivery option and summarize the recommended option's project scope, indicative schedule and cost estimate.

Ultimately, the recommended option will form the basis for further analysis in Part C and Part D of the concept plan. If the recommended option is approved and no other material changes occur in the interim, the recommended option will also form the basis for the business plan.

Figure 1 outlines the service delivery options analysis.

**Figure 1: Service Delivery Options Analysis**



### 5.3.1 NON-CAPITAL STRATEGIES

The service delivery options analysis section should begin by identifying non-capital strategies which may meet the need for investment established in Part A, the project objectives and the master program described above. All feasible non-capital strategies should be identified and evaluated.

Examples of alternative non-capital strategies include extending a lease, program redesign and reconfiguration of existing infrastructure or of program service delivery arrangements (e.g. moving program/service to larger facility, redirecting clients to other locations with capacity or extending hours of service delivery, technological solutions).

If no alternative strategies are identified, the project team should provide a description of the non-capital strategies considered and justification to support the decision not to proceed with the non-capital strategies before continuing the concept plan.

### 5.3.2 CAPITAL SERVICE DELIVERY OPTIONS

After the guiding principles/project objectives are established and the project team confirms there are no feasible non-capital strategies, the project team should identify and describe the service delivery options it will assess.

The project team should collectively select options unique to the specific project being analyzed. Typical service delivery options include:

- Status quo (as a basis of comparison);
- Renovate/remediate/expand existing infrastructure;
- Build new infrastructure on existing site; and
- Build new infrastructure on a new site.

New infrastructure may include temporary, short-term, consolidated or modular buildings where appropriate. The potential for using a repeat design should also be considered.

If some options are considered but then dropped from the analysis, the project team should provide the justification for removing them from further consideration. The project governance body (as established under section [2.3](#)) should approve the range of capital service delivery options identified. The project team may seek to obtain approvals for the options at the same time as the qualitative capital service delivery criteria they will use to evaluate those options.

### **5.3.3 PRELIMINARY PROJECT SCOPE SUMMARY**

This section should summarize the key elements of the master program (or equivalent) outlined in [5.2](#). In addition, this section should describe the scope (at a high-level) for each viable capital service delivery option including an indicative schedule for design (including tenders) and construction.

If any of the options include plans to build on the existing site, the concept plan should also include a description of the new construction's potential effect on the existing facility's operations and how that could be managed during construction.

In addition, legislation such as the *Wood First Act* may apply to specific projects and necessitate additional analysis. Ministries and agencies should seek advice where appropriate to determine what legislation applies to their projects.

Treasury Board budget letters may also outline additional requirements the ministry or agency must include in the project scope (e.g. energy efficiency requirements, community benefits, gender and equity group analysis, climate considerations).

### **5.3.4 CAPITAL SERVICE DELIVERY CRITERIA: QUALITATIVE**

Next, the project team should identify the qualitative capital service delivery criteria to evaluate the viable service delivery options. Project teams should avoid using criteria in which the assessment does not differentiate between options as similar outcomes do not add much value to the analysis.

The criteria are unique for each project and should link directly to the project objectives and guiding principles.

Each criterion should be clearly defined and documented. Examples include:

- **Public interest:** how the service delivery option meets the needs of different populations within the public;
- **Strategic alignment:** how the service delivery option contributes to the government's and project owner's strategic goals, objectives and priorities, including the ministry goals as defined in service plans;
- **Legislative and regulatory:** how the service delivery option meets current legislation, regulation, permit or policy requirements and potential changes in these areas including examples with specific application such as the *Hospital Act* (in the case of hospitals) and those with more general application such as the *Wood First Act* (in the case of all publicly funded buildings);
- **Service delivery gap:** how the service delivery option meets the future service demand for the infrastructure identified in Part A of the concept plan;
- **Quality of service:** how the service delivery option affects the service quality from the end users' point of view (e.g. less waiting time, convenience and safety);
- **Site specific considerations:** how different sites impose different limitations or opportunities relevant to service delivery;
- **Expected life of the asset:** how long the service delivery options establish service delivery comparatively;
- **Effect on operations:** how the service delivery option affects an operating facility (e.g. how does new construction or renovation impact the existing and operational facility);
- **Attract and retain employees:** how the service delivery option affects the retention, hiring and diversity of new employees;
- **Functionality and flexibility:** how the service delivery option may be altered over time to meet future change and growth; and
- **Operational efficiency, effectiveness and value for money:** how the service delivery option impacts the cost of providing the services and whether efficiencies can be implemented; and
- **Efficient use of capital:** how efficient is the option over the planning horizon.

### 5.3.5 QUALITATIVE ASSESSMENT METHODS

There are many qualitative methods to assess service delivery options. Regardless of the method(s) project teams use it is important to clearly describe the assessment methodology in the concept plan so readers may understand how the project team arrived at the short-listed service delivery options resulting from the analysis.

Project teams should develop a process complementary to their project. Smaller, less complex projects may benefit from one assessment method such as a Multiple Criteria Analysis and larger projects may benefit from a combination of assessment methods used for different decision points as part of a larger decision-making framework.

The following are examples of assessment methods that may be used or amended as required.

### 5.3.5.1 SCORED ASSESSMENT

Under the scored assessment method, all options are contrasted against each discrete objective and subsequently scored based upon the extent to which they satisfy or achieve the respective criteria. The options with the higher overall scores will ultimately be the short-listed service delivery options. Typically, specific objectives are not ranked or weighted, and all objectives carry an equal value; however, that approach may change depending on the project objectives and the governance body's direction.

**Table 2: Scored Assessment Example**

| OBJECTIVES   | OPTION 1 | OPTION 2 | OPTION 3 | OPTION 4 |
|--|----------|----------|----------|----------|
| Operational efficiency, effectiveness and value for money              | 75       | 65       | 30       | 45       |
| Service delivery gap   | 30       | 45       | 15       | 35       |
| Efficient use of capital   | 45       | 50       | 25       | 40       |
| <b>Total</b>   | 150      | 160      | 70       | 120      |
| Note: All Objectives scored out of 100; highest possible score is 300. |          |          |          |          |

### 5.3.5.2 WEIGHTED ASSESSMENT

Prior to scoring, individual objectives are weighted (out of a total of 100%) for their relative importance. Following the weighting exercise, all options are contrasted against each discrete objective and subsequently scored based on the extent to which they satisfy or achieve the respective criteria. Scores are then adjusted based upon the pre-established weighting methodology. Again, the options with the higher overall scores will ultimately be the short-listed service delivery options.

**Table 3: Weighted Assessment Example**

| OBJECTIVES  | WEIGHT | OPTION 1 |    | OPTION 2 |    | OPTION 3 |    | OPTION 4 |    |
|---|--------|----------|----|----------|----|----------|----|----------|----|
|   |        | S        | WS | S        | WS | S        | WS | S        | WS |
| Operational efficiency, effectiveness and value for money                               | 50%    | 80       | 40 | 60       | 30 | 30       | 15 | 50       | 25 |
| Service delivery gap  | 25%    | 30       | 15 | 40       | 20 | 20       | 10 | 30       | 15 |
| Efficient use of capital  | 25%    | 40       | 20 | 60       | 30 | 20       | 10 | 40       | 20 |
| <b>Total Weighted Score</b>   | 100%   | 75       |    | 80       |    | 35       |    | 60       |    |
| Note: All Objectives scored out of 100; due to weighting highest possible score is 100. |        |          |    |          |    |          |    |          |    |

### 5.3.5.3 RANKED GATING

Under the ranked gating method, objectives are ranked by descending order of importance; however, the values associated with each objective remain equal and constant. Once the ranking process is complete, each discrete objective is subsequently evaluated based upon the extent to which they satisfy or achieve the respective criteria. Unlike the whole assessment method, the lowest scoring option under each objective is abandoned and does not proceed to the next stage or ‘gate’ in the analysis. Objectives are not weighted under the ranked gating method and ultimately only two options may be fully scored.

**Table 4: Ranked Gating Assessment Example**

| OBJECTIVES   | OPTION 1 | OPTION 2 | OPTION 3 | OPTION 4 |
|--|----------|----------|----------|----------|
| Operational efficiency, effectiveness and value for money              | 75       | 65       | 30       | 45       |
| Service delivery gap   | 30       | 45       | XX       | 35       |
| Efficient use of capital   | XX       | 50       | XX       | 40       |
| <b>Total</b>   | XX       | 160      | XX       | 120      |
| Note: All Objectives scored out of 100; highest possible score is 300. |          |          |          |          |

### 5.3.5.4 MULTIPLE CRITERIA ANALYSIS (MCA)

Applying an MCA requires professional judgement to determine how well each option meets the criterion’s need. The primary benefit of the MCA is flexibility. Using a numerical scoring system is not recommended as it can obscure the nuance of analysis. The following scoring system for evaluating how well the option meets the criterion’s need is recommended.

**Table 5: MCA Scoring Example**

| X   | ✓   | ✓✓   | ✓✓✓  |
|---|---|--|--|
| Option fails to meet basic service or program requirements. | Option minimally meets the service or program requirements. | Option adequately meets the service or program requirements. | Option strongly meets the service or program requirements. |

Results of an MCA are typically presented in a table format and show the scoring of each criterion for each option. A summary table should be included in the body of the concept plan, with any critical explanatory comments. More detailed qualitative commentary to justifies scores should be provided in an appendix. A consistent and robust rationale should be provided to support the scoring.

**Table 6: MCA Assessment Example**

| CRITERIA  | OPTION 1 | OPTION 2 | OPTION 3 |
|---|----------|----------|----------|
| Operational efficiency, effectiveness and value for money | ✓        | ✓✓       | ✓✓✓      |
| Service delivery gap                                      | ✓✓       | ✓✓✓      | ✓✓       |
| Efficient use of capital                                  | ✓        | ✓✓✓      | ✓        |

### 5.3.5.5 MULTIPLE ACCOUNT EVALUATION (MAE)

Transportation projects may use multiple account evaluations which is a multi-criteria decision matrix tool that systematically looks at four 'accounts': financial, customer service, environmental and social. A fifth account, economic development, may apply. See the Ministry of Transportation and Infrastructure's [Options Evaluation Guidelines](#) for more details and example tables.

### 5.3.6 CONCLUSION OF THE QUALITATIVE CAPITAL SERVICE DELIVERY ANALYSIS

The conclusion of the qualitative capital service delivery options analysis should summarize the short-listed options that meet the project objectives/criteria.

The conclusion should also describe those capital service delivery options that do not meet the project objectives/criteria and recommend they be dropped from future consideration.

### 5.3.7 OPERATIONAL RISK ASSESSMENT

Risk is defined as the effect of uncertainty on objectives. Risk management is the structured and disciplined effort to understand and treat risk, reduce uncertainty and better meet or exceed goals and objectives.

In practice, risk management is the action, or planned action, that may affect the probability and/or consequence of a risk event occurring to ensure the level of assumed risk falls within the acceptable limit for the ministry and agency.

Risk assessments entail a qualitative assessment which documents risks, their probability of occurrence (rare, unlikely, moderate, likely or almost certain), a range of possible consequences, strategies to prevent negative risks from occurring and mitigation if the risks do occur.

The risks identified are used solely for analyzing service delivery options and should focus on risks to operations and construction.

Risk assessments are typically presented in a risk matrix which may be included as an appendix. The summary results of the risk assessment are usually presented in a table format in the concept plan.

**Table 7: Risk Summary Table Example**

| RISK                     | DESCRIPTION   | OPTION 1 | OPTION 2 | OPTION 3 |
|--------------------------|---|----------|----------|----------|
| Existing Operations      | Construction negatively affects existing operations.                            | Medium   | Low      | Low      |
| Renovation Risk          | Risk associated with the general unknowns associated with a renovation project. | High     | Low      | Low      |
| Environmental Assessment | Unknown contaminants are discovered during construction.                        | Low      | High     | Medium   |

### 5.3.8 CAPITAL SERVICE DELIVERY CRITERIA: QUANTITATIVE

Project teams are also expected to use quantitative methodologies to assess the short-listed service delivery options resulting from the qualitative assessment to provide high-level order of magnitude cost estimates which may be expressed as an indicative Class “D” estimates or equivalent.

Project duration has a significant effect on cost. The cost estimates should be based on the relevant preliminary project schedules outlined in section [5.3.3](#). and on a Design-Bid-Build procurement model to maintain procurement neutrality between options.

The preliminary project schedules should outline the key assumptions or factors relevant to the schedules such as construction duration, program or delivery constraints, seasonal and weather impacts, permits, re-zoning (if required), coordination with other projects or initiatives and government commitments. The project’s cash flows should also be presented.

The concept plan should describe the short-listed service delivery options and that description should be as comprehensive as possible to support the Class “D” cost estimate.

### 5.3.9 RECOMMENDED SERVICE DELIVERY OPTIONS

Finally, the project team should recommend the preferred capital service delivery option for further analysis in the business plan.

Occasionally, the project team may put forward a short list of options for Treasury Board consideration.

Regardless, the service delivery options analysis should conclude with a summary of the recommended or short-listed capital service delivery option(s) being put forward for further

analysis in the business plan, including the preliminary project scope(s), indicative schedule(s), qualitative risk assessment(s) and order of magnitude cost estimate(s).

If more than one option is being put forward, the project team should work with their TBS analyst to select which of the cost estimates to include in reports for the purposes of the corporate capital plan<sup>3</sup>.

Part C and Part D of the concept plan will be based on the recommended capital service delivery option(s).

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<sup>3</sup> The corporate capital plan can only contain one cost estimate for a project and project teams will need to use discretion to determine which figure is most appropriate to ensure enough funds for contingencies and management reserves.

## 6. CONCEPT PLAN DOCUMENT PART C: PROCUREMENT OPTIONS ANALYSIS

The purpose of this section is to identify and describe those procurement models that may undergo further analysis in the development of the business plan. The concept plan will identify the likely procurement options for the project, including their relative strengths and weaknesses.

The description of the procurement models for future consideration in the business plan may be provided in an appendix to the concept plan.

## 7. CONCEPT PLAN DOCUMENT PART D: FUNDING AND NEXT STEPS

### 7.1 Funding

The purpose of this section is to describe funding, the continued governance structure and next steps for the project if the concept plan is approved.

Based on the preliminary total capital cost estimate of the recommended service delivery option, the project team should describe potential sources of capital funding, including the dollar amounts and timing of contributions from each source. Potential funders of the project may include federal funding, regional hospital districts, ministry or philanthropic contributions.

Funding sources will be confirmed during the development of the business plan.

The concept plan should also include a general description of the proposed project oversight structure and processes that are commensurate with the project's size, complexity, and risk. This may be the same governance body described in [2.3](#).

### 7.2 Next Steps

Part D of the concept plan should conclude with an explanation of the next phase in the process (e.g. preparation of a business plan) and describe the associated workplan, including major tasks and schedule to develop the business plan. For those entities which receive funding for the cost to prepare the business plan, that budget should be included here with enough detail for decision making.

## 8. CONCEPT PLAN DOCUMENT PART E: DECISION REQUEST

This section requests approval to proceed with the project to the business plan planning stage and the next steps outlined in [7](#).

Treasury Board approval of a concept plan typically provides the following:

- Agreement the description of the need for investment and recommended service delivery option(s) are consistent with government's strategic priorities;
- A placeholder in the Province's overall capital plan;
- Approval to do a comprehensive business plan; and
- In some circumstances, the provision of planning funds.

Finally, Part E should include a clear indication the concept plan has been signed off and approved by the relevant governance authority for the project (e.g. Board of Education, executive sponsor, project board).

## APPENDIX A: CONCEPT PLAN TABLE OF CONTENTS

| SECTION  | CONTENT   | COMMENTS  |
|--|---|---|
| <b>Executive Summary</b>   | <ul style="list-style-type: none"> <li>• Project description</li> <li>• Project need</li> <li>• Project objectives</li> <li>• Service delivery options</li> <li>• Procurement options</li> <li>• Procurement implementation</li> <li>• Cost estimates and funding sources</li> <li>• Decision Request</li> </ul>  | <ul style="list-style-type: none"> <li>• Identifies the purpose of the concept plan and outlines the key information.</li> <li>• Should be written so that a busy decision maker can understand the most important facts and analysis to inform decisions.</li> </ul>   |
| <b>Approach</b>  | <ul style="list-style-type: none"> <li>• Organizations represented on the project team</li> <li>• Main tasks and approach used in developing the concept plan</li> </ul>  | <ul style="list-style-type: none"> <li>• Identifies project team participants at a high-level (ministry, health authority etc.).</li> <li>• Outlines approach to developing the concept plan</li> </ul>   |
| <b>Part A: Need for Investment</b>                                 | <ul style="list-style-type: none"> <li>• Background and context</li> <li>• Description of current condition and demand</li> <li>• Description of future demand needs</li> </ul>   | <ul style="list-style-type: none"> <li>• Identifies the need for the project and the rationale for investment.</li> <li>• Provides relevant context and linkages to strategic direction.</li> </ul>   |
| <b>Part B: Service Delivery Options Analysis and Project Scope</b> | <ul style="list-style-type: none"> <li>• Guiding principles and project objectives</li> <li>• Master Program</li> <li>• Service delivery options analysis (non-capital and capital)</li> <li>• Qualitative and quantitative service delivery criteria, qualitative risk assessment</li> <li>• Operational Risk Assessment</li> <li>• Recommended service delivery option</li> </ul> | <ul style="list-style-type: none"> <li>• Analyzes options for achieving project objectives based on established qualitative and quantitative criteria and risk assessment.</li> <li>• Usually recommends one service delivery option for further analysis in the business plan with summary description.</li> </ul>   |
| <b>Part C: Procurement</b>   | <ul style="list-style-type: none"> <li>• Description of viable procurement models for analysis in the next phase</li> </ul>   | <ul style="list-style-type: none"> <li>• Procurement model descriptions provided in an appendix.</li> <li>• Sample wording for this section is: "The Agency will undertake a detailed assessment of procurement options and related risk assessment upon approval to proceed to the business plan. It is anticipated that all models of procurement will be considered."</li> </ul> |
| <b>Part D: Funding and Next Steps</b>                              | <ul style="list-style-type: none"> <li>• Potential funders</li> <li>• Work plan for next planning phase</li> </ul>  |   |
| <b>Part E: Decision Request</b>                                    | <ul style="list-style-type: none"> <li>• Approval of concept plan request</li> </ul>  |   |

**APPENDIX B: GOVERNMENT POLICIES OR STANDARDS THAT MAY APPLY TO CAPITAL PROJECTS**

This is not an exhaustive list may be updated as required. Last Update: March 15, 2021.

| POLICIES AND/OR REQUIREMENTS       | HIGH-LEVEL DESCRIPTION  | POTENTIAL SOURCE(S) OF DIRECTION  | POTENTIALLY AFFECTED CONCEPT PLAN SECTION  |
|------------------------------------|---|---|--|
| Community Benefits Framework (CBF) | <p>Policy aimed at achieving objectives related to capital projects providing additional benefits and opportunities for communities.</p> <p>The CBF is applied through two streams: Community Benefits Agreement (CBA) and Procurement and Contract Terms (P&amp;CT).</p> | <p>CBF will apply to most capital projects once the P&amp;CT are completed, they are currently under development. The CBA applies only to select projects.</p> <p>Concept Plan Approval Letter may request CBA be considered during the development of the business plan.</p> | <p>Part B (Project Parameters):</p> <ul style="list-style-type: none"> <li>• May include community considerations as a measurable project objective.</li> </ul> <p>Part C (Procurement Options):</p> <ul style="list-style-type: none"> <li>• Procurement Options.</li> </ul>  |
| Gender-Based Analysis Plus (GBA+)  | Comprehensive approach to policy development that is people-centred and evidence-informed.  | This government-wide policy should be applied to all business plans.  | <p>Project Planning:</p> <ul style="list-style-type: none"> <li>• Structure the project's governance body to reflect a diverse range of perspectives (where possible).</li> </ul> <p>Part B (Project Parameters):</p> <ul style="list-style-type: none"> <li>• May incorporate GBA+ considerations into the guiding principles to help direct the decision-making process.</li> <li>• May include GBA+ considerations as a measurable project objective to ensure all subpopulations are contemplated while developing the program and infrastructure.</li> <li>• Incorporate into service delivery options risk assessment, if applicable.</li> </ul> |

| POLICIES AND/OR REQUIREMENTS         | HIGH-LEVEL DESCRIPTION   | POTENTIAL SOURCE(S) OF DIRECTION   | POTENTIALLY AFFECTED CONCEPT PLAN SECTION   |
|--------------------------------------|--|--|---|
| CleanBC                              | <p>Includes policies related to energy efficiency, reduction of Greenhouse Gas (GHG) Emissions and Climate Adaptation.</p> <p>Sets specific Public Sector GHG reduction targets.</p> | <p>Long standing expectation that new Provincially funded buildings must meet the requirements of LEED® Gold or equivalent sustainable building standard.</p> <p>Ministry budget letters and Concept Plan approval letters may provide direction on additional analysis expected in business plans for new Provincially funded buildings or major renovations.</p> | <p>Part B (Project Parameters):</p> <ul style="list-style-type: none"> <li>• May include GHG emission reduction considerations and sustainable building standard requirements as project objectives.</li> </ul> |
| Use of Wood in Building Construction | <p>Requires use of wood as the primary building material in all new Provincially funded buildings, in a manner consistent with the provincial building regulations.</p>              | <p><i>Wood First Act</i></p> <p>Ministry budget letters and Concept Plan approval letters may provide direction on additional analysis expected in business plans for new Provincially funded buildings or major renovations.</p>  | <p>Part B (Project Parameters):</p> <ul style="list-style-type: none"> <li>• Should be addressed in the Qualitative Capital Service Delivery Criteria.</li> </ul>   |

| POLICIES AND/OR REQUIREMENTS | HIGH-LEVEL DESCRIPTION   | POTENTIAL SOURCE(S) OF DIRECTION  | POTENTIALLY AFFECTED CONCEPT PLAN SECTION   |
|------------------------------|--|---|---|
| Childcare Spaces             | <p>Creating a universally accessible, quality and affordable childcare system is a government priority.</p> <p>Including childcare spaces in new capital construction will support achieving this mandate.</p> | <p>Ministry budget letters and concept plan approval letters may provide direction on additional analysis expected in business plans for Provincially funded buildings.</p> | <p>Part A (Context and Need for Investment)</p> <ul style="list-style-type: none"> <li>• Linkages to government priorities may be highlighted.</li> <li>• Will require demand forecasts etc.</li> </ul> <p>Part B (Project Parameters):</p> <ul style="list-style-type: none"> <li>• Will affect the master program.</li> </ul> |