



Selling your water sensitive city business case – practical strategies you can use

A business case is regarded as the everyday expression of rational decision-making. It provides an objective look at the costs and benefits of a project to decide whether to proceed. It is recommended that as well as the numbers, you need to build organisational and political support for your business case. This ensures that the argument for your business case resonates with those that will be making the final decision, that your stakeholders are united in calling for the project to go ahead, and that it is supported as a solution to the bigger picture issues of the day.

The need for a business case features regularly in discussions about a water sensitive city. It is generally recognised that a water sensitive city can provide a range of benefits to the community, including some that are not traditionally included in business cases for water management projects. The challenge however, is to identify and value these benefits so that they can be included. The evidence for the economic values themselves is also beginning to emerge. Research at the CRCWSC is determining the community's willingness to pay for a range of water sensitive city outcomes and translating these into dollar values. This work is still in development and the values are context specific. While this means that adopting them in a generalised way requires caution it does prove that these benefits have a financial value. This allows a "place-holder" to be adopted in a cost benefit analysis even if the specific amount is not yet known for a specific project in a specific location.

As an alternative to a detailed listing of benefits and their economic value, the CRCWSC has released advice for the process of building a water sensitive business case. It outlines an approach to sell the business case to decision makers by helping users to frame and build support for their preferred option.

The insights it offers are based on specific examples from research and various practice across Australia and are based on three commonly seen risks to business cases.

1. The problem being solved is often based on the combined effects of multiple future scenarios for cities (for example, regarding a changing climate and public health trends), with associated uncertainty surrounding the impacts. If there is no agreement on the problems and opportunities, there can be no business case.
2. A water sensitive city is based on a systems approach rather than focusing on the optimal solution to a specific problem. This means that the solutions provide community-wide benefits that can be difficult to describe, measure, and value, raising questions about who should pay.

3. The costs are short-term yet the benefits are long-term. A water sensitive city creates benefits that are the sum of many incremental actions and projects. This means that there can be a lag between investment in an individual project and the realisation of these benefits, particularly if the benefits relate to infrequent events such as floods or droughts.

The CRCWSC's business case synthesis report outlines a range of strategies to address these risks and ultimately build the support for your business case.

Risks to a business case	Strategy
The problem has no urgency (or: the business case isn't addressing the real problem)	<ol style="list-style-type: none"> 1. Know the real decision maker 2. Frame your business case within a broader context 3. A political and community-engagement strategy
The case for change isn't compelling – status quo approaches appear effective at dealing with the problem	<ol style="list-style-type: none"> 4. Build a team of advocates for your project 5. Let the basic case paint a picture of the likely future, not a picture of today 6. Scale: tell the story of local and system-wide benefits
Those who are paying don't see the benefits	<ol style="list-style-type: none"> 7. Valuing costs and benefits 8. Distribution impacts: who benefits and who pays? 9. Address the counter-argument 10. Funding base



Building a business case for a water sensitive city

1. Communities are calling out for new water services in our cities



6 IN 10 HOUSEHOLDS

CONSIDER THEMSELVES ENVIRONMENTALLY SUSTAINABLE

MORE THAN 50% OF PEOPLE SUPPORT THE INSTALLATION OF RAIN GARDENS IN THEIR STREET

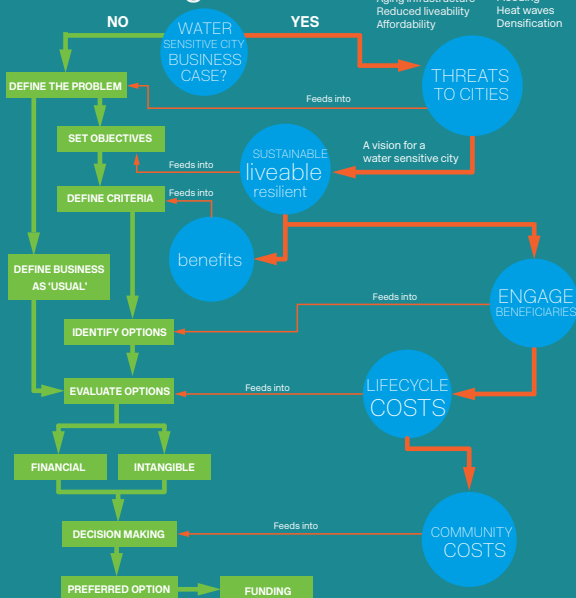
80% OF HOUSEHOLDERS SAY THEY ARE WILLING TO USE RECYCLED WATER FOR NON-DRINKING PURPOSES IN THE HOME



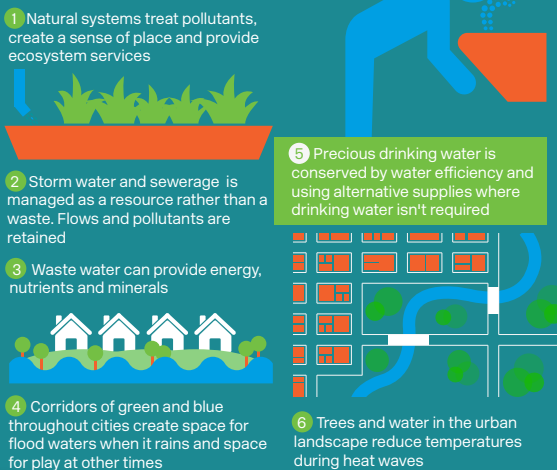
2. There are 5 questions to ask



3. Putting the business case together



4. Benefits of creating a water sensitive city



5. How big are these benefits? Some examples

