



PROJECT BUSINESS CASE

Project Number:

**Project Title: Supported Communal improvements—
Graylings 2011/12**

Release (Draft/Final)	Draft
Version Number	1
Date	28/03/2011
Project Manager	J. Richards
Project Sponsor	G. Miller
Directorate	Neighbourhoods
Division	Decent Homes

The appropriate approval must be obtained before for the Business Case is registered on SharePoint. Please refer to the Gateway Approval process for Gold, Silver & Bronze projects

Project Type	B
Approved by	

1. OUTLINE PROJECT PROPOSAL

1.1. Background

For the background to why we are doing this project, please see the Outline Project Proposal.

To continue the existing programme of works to communal areas within supported housing blocks utilising the designs and improvements installed at Manston Court. Works to Graylings will include

Internal Areas:

Refurbish the community room and kitchen to provide a comfortable multi-use café/seating area, refurbish the existing laundry room, refuse areas, disabled WCs and hair salon. Convert an existing store room into a bedroom for the use of overnight staff/visitors and refurbish the “wardens flat”. All corridors are to be refurbished including floor coverings, ceilings, lighting and new internal doors throughout as well as creating a new Scooter store with charging facilities.

External:

Provide a new entrance canopy, replace entrance paving, new signage, improved lighting and provide DDA compliant handrails. Provide an additional 5 parking spaces, improve drainage and resurface the walkway to the refuse area. The rear garden will benefit from a new patio area complete with lighting and power.

1.2. Update to Outline Project Proposal

Confirm project start and end dates below and highlight any changes since the Outline Project Proposal was agreed.

Project Start Date: 04/04/2011

Project End Date: 30/03/2012

2. OPTIONS APPRAISAL

2.1. Options Investigated

Option Description	Benefits	Costs	Risks
Do nothing	None	None	Block will look “tired”, drab, dated and generally unappealing for occupation
Works as described	Modern attractive looking building with modern facilities provided.	£590,000 including fees	As outlined in the OPP
Refurbish lift as part of the same project	Refurbishment will not be affected by lift at a later date	£850,000 including fees	Tenants are dependant upon lift and a re-location at short notice would be proplomatic.

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Complete the above or attach an option appraisal template.

2.2. Recommended Option

Explain the recommended Option and make clear the level of confidence (e.g. Pessimistic, Optimistic or Realistic) in the estimates to enable a balanced decision on benefits versus costs and risks. The following sections of the Business Case will be based on the recommended option. If there is significant doubt about which option will be selected, the Option Appraisal should be sent for approval prior to completing the Business Case.

Option 2 be adopted this will ensure the block is modernised with future tenants requesting to move/live there.

3. PROJECT OBJECTIVES AND MEASURES

3.1. Objectives

What does the project aim to achieve and/or deliver?

Achievement of the project objectives will be used to assess project Quality at G5.

Provide a modern building with all modern facilities

3.2. Service / Business Benefits

Who will benefit and how?

Tenants / Residents and user groups both now and in the future

3.3. Estimated Cashable benefits

If applicable, list any cashable savings and state the period over which they will be delivered. Obtain verification from Corporate Finance that the savings are achievable and attach the verification as an Appendix to this document.

3.4. *Quality Measures

Baseline performance level (at project start date): 04/04/2011

Performance target/s (at project end date): 30/03/2012

The measures will be used to assess project Quality at project closure.

4. PROJECT KEY DRIVER

Is it more important that the project is delivered within the set Timescale, Cost or Quality? For an Olympic project the timescale would be critical so, for example, the weightings could be Time 50%, Quality 30%, Budget 20%.

The weightings will be used to assess project success at Gateway 5. In the Olympic example above, if the project was delivered on Time and to the Quality specified but was significantly over budget, overall, the project would be considered a success due to the relatively low weighting for Budget.

Criteria	Weighted % score
	If all 3 criteria are of equal importance, score each 33%
TIME (see section 1.2 above)	33
COST (see Appendix 5.1 below)	33
QUALITY (see section 3.4 above)	33

4.1. Risk Quantification and Sensitivity Analysis

Please complete the table below with the known risks to this project or attach a Risk, Assumptions, Issues, Dependencies (RAID) log:

Risk	Risk Owner	Probability	Impact on project (H/M/L)	Timing	Mitigation
Design not being formulised before start	SCC & Capita	Low	High	Start	Ensure all works are clearly defined before commencement
Un-foreseen asbestos issues	SCC & Capita	Low	High	Throughout	Full survey prior to commencement
H & S issues with tenants on building site	SCC & Capital	Low	Med	Throughout	Ensure method statements are realistic and regular reviews
Contractor entering Administration	SCC & Capita	Low	High	Throughout	Procurement exemption
Additional major works requested to original spec	SCC & Capita	Med	High	Throughout	Research options / likelihood before commencement

5. APPENDICES

5.1. Project Costs

Please complete 'Project Costs' below. This must be attached as an Appendix to the Business Case.

5.2. Initial Impact Assessment

Please attach Quick Initial Impact Assessment.

<http://intranet.southampton.gov.uk/highlights/campaigns/IIA.asp#0>

APPENDIX 5.1 – PROJECT COSTS

5.2.1 Capital costs

The total one-off capital costs for the project, including Capita costs, external spend and any internal business costs eg: backfill

£000s	Year 1	Year 2	Year 3	Subsequent years total	Total
Project Capital Costs					
Asset costs					
Capita,	51,000				51,000
contractors	539,000				539,000
Internal SCC business fees					
Total capital costs	590,000				590,000

5.2.2 Revenue costs

The total revenue (ongoing) costs for any assets (eg: hardware and software), maintenance charges, support etc
N/A

£000s	Year 1	Year 2	Year 3	Subsequent years total	Total
Project Revenue Costs					
Asset costs					
External fees (eg Capita, other partners or contractors)					
Internal SCC business fees					
Total revenue costs					

5.2.3 Project Resources

The total number of days required for the project by Council staff, Capita, other partners or contractors. This section is particularly important to complete when no budget is allocated to the project.

Days	Year 1	Year 2	Year 3	Subsequent years total	Total
Resource Days					
SCC staff – see example below:					
▪ <i>Legal</i>	10 days				10 days
▪ <i>Finance</i>	35 days				35 days
▪ <i>Asset management</i>	100 days				100 days
Capita, contractors	175 days				175 days
	175 days				175 days
Total Resources Days	495 days				495 days

5.2.4 Contingency

Consider adding contingency funds. By default, 10% of the total project cost should be added.

N/A

	£	Reason
Project Cost		
Add contingency		<i>Insert reason if more than 10%</i>
TOTAL PROJECT COST		

Bronze projects:

*The Business Case should be updated for Bronze projects at Gateway 3 and a Project Plan attached.
A detailed Impact Assessment may also be required:*

<http://intranet.southampton.gov.uk/highlights/campaigns/IIA.asp#0>