



PROJECT BUSINESS CASE

Project Number:

Project Title: Electrical Rewire programme 2011/12

Release (Draft/Final)	Draft
Version Number	1
Date	23/03/2011
Project Manager	K. Meredith
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	S
Approved by	

1. OUTLINE PROJECT PROPOSAL

1.1. Background

Following recent cyclical Electrical Periodic Test & inspections (PT&I) a number of homes have been identified where the existing electrical system needs replacing. The systems are breaking down and the repairs teams have stated that it is no longer possible or beneficial to replace 1 item at a time as the fault appears in another area shortly after the previous repair. This programme will allow approx 80 homes across the city to be re-wired. The re-wire will also introduce the introduction of more outlets for appliances therefore removing the possible H & S risk.

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: 30/05/2011

Project End Date: 30/03/2012

2. OPTIONS APPRAISAL

2.1. Options Investigated

Option Description	Benefits	Costs	Risks
Do nothing	None	None	Potential electrocution and fire
Carryout works as described	Properties will be made safe and enhanced electrically	£300,000 including fees	As outlined in the OPP
Rewire complete streets as a programme of works	Properties will be rewired in advance of actual date	£1,000,000 including fees	Funding unavailable as pressure on existing budgets. More important projects would suffer.

Complete the above or attach an option appraisal template.

2.2. Recommended Option

Recommend option 2 as this is a realistic approach and will assist in maintaining the councils current high level of homes meeting the Decent Homes level

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.

This programme will allow approx 80 homes across the city to be re-wired. The re-wire will also introduce the introduction of more outlets for appliances therefore removing the possible H & S risk.

3.2. Service / Business Benefits

Who will benefit and how?

Tenants both now and in the future having modern safe facilities within their home

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): 30/05/2011

Performance target/s (at project end date): 30/03/2011

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%.

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
Tenant refusal	SCC	low	Low	Throughout	Under H & S tenant is in breach of tenancy agreement
Average cost increase due material cost	SCC	Low	Low	Throughout	Monitor situation via sharepoint and report accordingly

APPENDICES

4.2. Project Costs

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

4.3. 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					
External fees (eg Capita, other partners or contractors)					
Internal SCC business fees (BCS & PMS)	£300,000				£300,000
Total capital costs	£300,000				£300,000

4.3.2 Revenue costs

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

£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					

4.3.3 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:					
▪ PMS/BCS	225 days				225 days
▪ Asset management	50 days				50 days
▪ Finance	25 days				25 days
▪					
▪					
Capita, other partners or contractors					
Total Resources Days	300 days				300 days

4.3.4 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>