



## PROJECT BUSINESS CASE

**Project Number:**

**Project Title: Decent Homes, Harefield 2011/12**

Release (Draft/Final)	Draft
Version Number	1
Date	21/03/2011
Project Manager	S. Ransley
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 carryout the refurbishment of 11 Kitchens and 17 Bathrooms in the Harefield area, contributing towards maintaining the current level of Decent Homes across the city. Works also include electrical upgrades within the kitchens.

### 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: 30/11/2011*

## 2. OPTIONS APPRAISAL

### 2.1. Options Investigated

Option Description	Benefits	Costs	Risks
Do nothing	None	None	Larger number of properties failing decent Homes levels
Carryout works as described	Maintains current levels and property is easier to let	£107,194 including fees	As described in OPP
Carryout refurbishment to whole of property at the same time	Property is completely refurbished and no further works planned	£500,000 including fees	Insufficient funding available, Procurement problems and timescales unachievable.

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.*

To carryout the refurbishment of 11 Kitchens and 17 Bathrooms in the Harefield area

#### 3.2. Service / Business Benefits

*Who will benefit and how?*

Tenants both now and in the future having modern 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): 04/04/2011*

*Performance target/s (at project end date): 30/11/2011*

*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%.*

*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
Tenant refusal	SCC	low	low	Throughout	Property is Decent until void.
Contractor enters into Administration	SCC & Capita	low	Med	Throughout	Use of in house staff and frameworks
Long spells inclement weather	SCC & Capita	low	low	Autumn / Winter periods	Adjust programme to suit
Current framework expires before completion of works	SCC & Capita	low	low	Oct onwards	Short procurement exemption to complete project

## **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
<b>Project Capital Costs</b>					
Asset costs					
Capita	6,260				6,260
Contractor	97,199				97,199
Internal SCC business fees	3,735				3,735
<b>Total capital costs</b>	107,194				107,194

### 5.2.2 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
<b>Project Revenue Costs</b>					
Asset costs					
Capita,					
Contractor					
Internal SCC business fees					
<b>Total revenue costs</b>					

### 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
<b>Resource Days</b>					
SCC staff – see example below:					
▪ <i>Legal</i>	5 days				5 days
▪ <i>Asset management</i>	30days				30days
▪ <i>Finance</i>	8 days				8 days
▪					
▪					
Capita, other partners or contractors	60 days				60 days
<b>Total Resources Days</b>	103 days				103 days

**5.2.4 Contingency**

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

N/A

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

**Bronze projects:**



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*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>