



PROJECT BUSINESS CASE

Project Number:

Project Title: Supported housing conversions 2011/12

Release (Draft/Final)	Draft
Version Number	1
Date	28/03/2011
Project Manager	C. Ingram
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 of converting Bedsit properties to 1 bedroom flats within Supported housing blocks, also where required continue the programme of installing shower rooms to individual homes where required, removing the requirement for communal bathrooms

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	Properties are hard to let.
Works as described	Provision of homes with separate private bedrooms, remove need for communal bathrooms	£100,000 including fees	As outlined in OPP
Carryout works as a programme not only when void	All properties will be converted ahead of becoming void	£500,000 including fees	Budgetary constraints would mean other important projects would be cancelled

Complete the above or attach an option appraisal template.

2.2. Recommended Option

Recommend option 2, this will ensure the properties are easier to let after becoming void.

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 provide modern private homes and provide individual bathrooms.

3.2. Service / Business Benefits

Who will benefit and how?

Tenants both now and in the future by providing modern facilities

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): 31/03/2012

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)	30
COST (see Appendix 5.1 below)	30
QUALITY (see section 3.4 above)	40

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
No voids	SCC	Low	Low	Throughout	Wait until void – reschedule works
Outbreak of Legionella	SCc & Capita	Low	High	Throughout	Regular testing programme

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, contractors					
Internal SCC business fees	100,000				100,000
Total capital costs	100,000				100,000

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>Asset management</i>	30 days				30 days
▪ <i>PMS Void team</i>	175 days				175 days
▪					
▪					
▪					
Capita, other partners or contractors					
Total Resources Days	205 days				205 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>