

APPENDIX A

Project Documentation

Affordable Housing New Build project

Incorporating business case, project brief and project management document

Part A – Document Control

Part B – Business Case, Project Background and technical issues

Part C – Project Brief

Part D – Project Management Document

Version no: 2

Date: revised 20 June 2014

Part A - Document Control

A 1 - Key personnel

Title	Affordable Housing – New Build
Author	H Rai
Approver	
Owner	H Rai
A 2 - Project Organisation Structure	
The main roles and responsibilities will include: project management of the New Build programme	

A 3 - Version history

Version	Date	Summary of changes	Changes marked

A 4 - Distribution

Name	Area

A 5 - References

Doc reference	Document title

Part B – Business Case, Project Background / technical issues

B 1 - General

Over the last 2 years officers have been progressing 3 garage sites that were identified as surplus to requirements. Following successful outline planning approvals, members instructed officers to seek full planning permission and to develop a [council led] new build project.

The garage sites are;

Tudor Hill
Greaves Avenue
Saxelby Road

B 2 –Service / Service / Function

The project is being led by the Communities & Neighbourhoods service

B 3 – Strategic fit

- Members at their meeting of 20th March 2013 recommended:

Members instruct officers to commence with the tendering exercise for the 10 affordable housing units as detailed in the New Build Affordable Housing Project Plan (Appendix C), with a view of bringing back a report back to this committee meeting in June 2013.

There are clear links into the following priorities within the council's corporate plan:

- Help provide a stock of housing accommodation that meets the needs of the community
- Improve quality of life for people living in the most disadvantaged neighbourhoods
- Improving the well-being of vulnerable people

B 4 - Options appraisal

Members also at their meeting of 20th March 2013 approved the outline project plan, which showed build during the summer of 2013 and a draft completion date of spring 2014.

The matrix score for this project is $3 + 2+3+3+3+2 = 16$

The project is a key priority for the council and further re-development and regeneration options will be considered in line with the approved HAMP

B 5 - Achievability

The procurement of Employers agents, CDM coordinator, architects and the main build have been sourced through the scape framework arrangements, in full consultation with the Welland procurement unit (head of Welland procurement) who advised that the scape framework provides high quality and value for money in this type and size of contract.

The council, via the solicitor to the council has agreed an 'Access Agreement' to scape, in order for the Council to draw down the appropriate contractors and professional support.

There will be on-going close scrutiny and monitoring of the project organised by the employers agent.

All professional contracts have been procured as well as a main builder.

Subject to members approval the project can commence within 2 weeks from approvals.

B 6 - Legal Issues (if applicable)

The access agreements has been signed.

There will be further legal issues and agreements that need to be agreed in regards to the build contract.

B 7 Specification

The project includes a full and detailed specification, as part of the full planning documents submitted

B 8 - Financial Implications

<i>Cap / Rev</i>		
	£	Comment
<i>Revised Costs</i>	£1.6 m	
<i>External Funding</i>	£250,000	LCC Extra care/NHB allocation being discussed at LCC cabinet 12/06/13
<i>Net Cost</i>	£1.35m	To be made of: HRA revenue Contribution HRA capital receipts Commuted Sums (s106) MBC New Homs Bonus
<i>Ongoing Savings</i>		
<i>Phasing</i>		

B 9 – Project Scoring Matrix

Scoring – for your project – calculate the points			
Criteria	1 Point	2 Points	3 Points
Cost £ (budget, time and human resource)	<£10k	£10k - £50K	>£50K
Timescale	< 6 months	6 – 12 months	> 12 months
Impact if project failed on the organisation	Minor disruption	Moderate	Major
Melton's Track Record	Done Successfully Many Times Before	Done Successfully Once or Twice Before	New Area of Working
Stakeholder Interest (internal and external)	Minimal	Moderate	Major
Project Complexity	Straight-forward	Moderately Complex	Highly Complex

Projects scoring 6 – 10 points - Formal methodology **not** necessary
 Projects scoring > 10 points - Formal methodology **is** necessary

Note

The business case **must** be submitted initially to the Programme Board and will allow schemes to be prioritised and feasibility to be assessed.

Part C – Project Brief

The Project Brief sets out the direction, scope and objectives of the project and forms essentially the “contract” between the Project Sponsor and Project Manager as to what will need to be delivered.

C 1 - Project Objectives, outcomes and benefits

What are we hoping to achieve from doing this project? Outline principle aspirations/objectives.

Criteria	Key Considerations
Proposed Site Layout	<ul style="list-style-type: none"> • Maximise number of units on the sites • Consideration of current community, access issues and adjoining properties.
Proposed Property Types	<ul style="list-style-type: none"> • Meet the Council’s requirements for affordable housing units including in terms of size and tenure.
Building Quality & Design	<ul style="list-style-type: none"> • High quality units in terms of design and energy efficiency • Benchmarked against the standards set out by the Housing Corporation.
Management & Allocations	<ul style="list-style-type: none"> • Effective management history (in local area) • Nomination rights
Deliverability	<ul style="list-style-type: none"> • Set out clear timescales for Delivery • Priority and commitment to pilot project
Capital Receipt	<ul style="list-style-type: none"> • Set out a capital receipt for the Council for the transfer of the land
Community Focus	<ul style="list-style-type: none"> • Ability to engage and consult with local communities
Any Other Added Value	<ul style="list-style-type: none"> • Community car parking, open space provision or the use of local building contractors

Part D – Project Management

D 1- Key Business Risks/Contingency Plans/Exit Strategy

The project will be supported with a detailed risk management matrix, which the employer’s agent is developing, which will inform and add to form B2.

Following members approval of the project and indicative costs, detailed ground works and survey have been undertaken to establish full project costs and identification of abnormals.

The tendered costs have been subject to due diligence by Faithful and Gould (MBC project managers) the main areas of abnormal from the original business case are:

Abnormal items
3 site setup and 3 number of site manager
CCTV due site specific requirement
Logistic / confined space/ site layout - affect the subcontractor price say 5%
Asbestos removal £1k
Asbestos removal £3k
Demolition and asbestos removal £8k, drainage diversion £10k
Extra over cost for 3 individual sites, stats diversion
Client's direct costs
Initial Kier's pre-construction staff costs
Risk allowance for neighbour coordination work, unknown risk

This also take into account project management fees and Scape fees (fixed percentage as agreed within the terms of the Framework agreement)

D 2 - Key Stakeholders

This section should identify the key stakeholders, both internal and external to Melton Borough Council, for example:

External Stakeholders

General Public – there are clear implication for the general public, who have been informed with progress as the project has developed.

The Media – There has been keen interest from the media in this project, and they will be kept up to date with the project.

Leicestershire County Council- LCC are looking to contribute to the project by using extra care and NHB monies.

Internal Stakeholders

Finance – Finance have been kept informed and updated on the project and the phasing of the costs will be discussed and agreed with finance prior to formal agreement.

Legal – Legal have led on the access agreement and will be party to other agreements as they progress.

Welland Procurement- The Welland Procurement unit have been kept informed with the project and detailed discussions took place to secure the appropriate professional support and build contract.

***For guidance on their management strategies refer back to Step 2 –
Prioritisation, page 16***

D 3 - Communication Plan

There will be a clear communication plan on this project due to its profile and links to building better places, which is a key priority for the council.

D 4 - Project Controls

The employers agent will undertake a detailed project plan and control document to manage the project on the Council's behalf

Appendix B2, – Standard Risk Management Template

Project Name:

Updated:

Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11
Risk No.	Grade [red, amber, green]	Risk Owner	Cause	Potential Consequences	Current Score	Original Score	Movement [↔,↑,↓]	Current controls [working]	Adequacy of mitigation measures	Planned actions (For key risks only)
1	Green	H Rai	Final costs due to changing construction industry	<ul style="list-style-type: none"> Over budget 	D2	C2	↓	Full on site survey and grounds works undertaken to establish all abnormal from 3 building on 3 separate sites	Yes – project managers appointed who have carried out full due diligence on tendered prices	
2				•						
3				•						
4				•						
5				•						

Last updated:

Risk Number	This is the unique identification number given to each individual risk
Owner/project	Who is the risk owner and therefore responsible for ensuring the mitigation work is undertaken

Cause	This describes the existing, potential or perceived risk/threat to the project objectives
Consequence	The impact of the cause is often a chain of events that can impact on many stakeholders
Current score and original score	Based on the risk matrix, how is the risk likelihood scored e.g. A, B, C, D or E Based on the risk matrix, how is the impact scored e.g. 1, 2, 3 or 4 The original score is as per the first time it was raised.
Current mitigation	The existing measures that are in place to control /prevent the risk (risk mitigation)
Adequacy	An assessment on the suitability of the current mitigation measures (adequate, poor, good)