

Appendix 2 Full Business Case

The FBC template is based on HM Treasury's Green Book's five case appraisal model.

For further guidance on financial appraisal, please see:

- HM Treasury Green Book: Appraisal and Evaluation in Central Government
- HM Treasury Guide to developing the Project Business Case

The Green Book is aimed at large Government projects. Birmingham's FBC template represents a simpler version with the key elements.

Version Control

Version	Date	Description
V1.0	10/01/2020	Final Draft
V1.1	04/08/2020	With BCC Corporate Finance comments

Project information

Project Title	Children's Trust Accommodation		
Project Sponsor	Andy Couldrick	Project Manager	Lee Yale-Helms
Directorate(s)	Education and Skills	Portfolio Holder	Cllr Kate Booth
Invest to Save Proposal (Y/N)	N	Payback Period before Ongoing Savings realised	N/A

Outline Business Case approval

Approved in November 2019 by Andy Couldrick

Executive summary

The proposal is to improve the current property estate occupied by the Children's Trust and expand the number of dedicated contact centres for children and families to use across the City.

Annex 3 Financial Overview

	2020 / 2021 £m	2021 / 2022 £m	2022 / 2023 £m	2023 / 2024 £m1.8	2024 / 2025 £m
Capital Costs	2.0	-	-	-	-
Net Revenue Costs	0.4	0.4	0.4	0.4	0.4
Reserves	-	-	-	-	-
Borrowing (Credit)	2.0	-	-	-	-
Net Revenue Impact	0.4	0.4	0.4	0.4	0.4

(NB this presumes that the revenue impact of repayment of capital borrowing is picked up corporately, as part of the decision to invest the £2 million)

Reasons

Birmingham Children's Trust provides contact arrangements for parents whose children have been taken into care. The current arrangements involve colocation of both conferencing and contact arrangements in the same buildings. This can prove challenging at times for families who children are being considered for being taken into care, meeting alongside families whose children have already been taken into care and have contact arrangements in place to allow them under supervision to visit and have contact with their own children. This can lead to emotions being high in an already sensitive situation, and on occasion this has caused tension for families and staff.

A more effective arrangement would be to separate contact from conferencing to avoid such scenarios. Accommodation for contact also needs to be more fit for purpose and provide a supporting environment for the families and children. There are proposals to replace the current South Access Centre and provide new dedicated contact space in the South of the City.

This proposal seeks to set aside £0.3m of capital to cover the landlord responsibilities of the Council for the property estate currently occupied by the Trust, with a further £0.5m for major improvements to support the separation of conferencing and contact facilities in the East, and £1.2m to enable the creation of a further three dedicated facilities for contract across the remaining part of the City. All of the capital investment is for both the improvement of existing buildings or purchase of new assets that will remain with the Council.

Scope and Dependencies

The proposal would require a review of current accommodation arrangements including security across any public access buildings to ensure the new contact centres are child and family friendly.

The Strategic Case

**This sets out the case for change and the project's fit to the Council Plan objectives
Objectives and Outcomes**

The proposal here relates to two of the City Council's priorities

- Birmingham is an aspirational city to grow up in
- Birmingham is a great city to live in

Protecting children was identified as the second or third most critical issue as part of the feedback from 2020 public budget consultation process.

Deliverables

Provide a list of the key deliverables of the project.

Deliverable	Owner / Responsible	Timescale	Approver
New contact centre property secured	Lee Yale-Helms	March 2021	Andy Couldrick
New contact centres launched	Lee Yale-Helms	July 2021	Andy Couldrick

Benefits

- Better experience and outcomes for children and families
- Dedicated conferencing and contact space to support safeguarding work and enable effective contact arrangements between parents and families
- Improved quality of accommodation for public access
- This initiative is not primarily about cost reduction - the benefits are about offering families and children a better environment for family time, to support contact between children in care and their birth parents/grandparents and other relatives. The initiative also delivers on a policy decision to not hold contact and child protection conferences in the same location, which is not good practice.
- In the short term, the City Council is not expected to recoup the capital outlay (see comment above regarding cost reduction). However, as the City Council retains ownership of the assets there is an anticipation of capital accumulation. This hasn't been quantified in this business case, given market uncertainty.

Benefits Realisation Plan

Benefits	Measurement	Timescale
Describe the benefits the project is expected to bring, including the impact on outcomes	Explain how the benefits will be measured so it is known they have materialised	By when should service users expect to see the benefits
Effective contact arrangements	Feedback from families and staff	2020/21
Improved conferencing facilities	Feedback and improved decision making	2020/21
Increased quality	Internal review	2020/21

Stakeholders

The list of key stakeholders for this initiative include:

- Children entering and/or in care and their families and carers
- Birmingham Children's Trust
- Children's Strategic Partnership
- Birmingham Children's Safeguarding Partnership (BCSP)
- West Midlands Police
- Birmingham & Solihull Clinical Commissioning Group and NHS providers

Engagement has been undertaken within the Children's Trust and feedback continues to be provided by conference chairs and other agencies involved in contact and conferencing arrangements.

The Economic Case and options appraisal

Summary of options reviewed at Outline Business Case

<i>Option</i> (1,2,3 etc)	<i>Description</i> (What is the option?)	<i>Impact</i> (What is the impact of implementing this option on service delivery? Positive and negative)	<i>Desirability</i> (How does the option meet strategic objectives? Council priorities, directorate business plan etc)	<i>Viability</i> (How sustainable is the option, how financially sound is it? Will it deliver Value for Money?)	<i>Feasibility</i> (How easy is the option to implement, think about complexity, timescales, internal capacity/capability, is consultancy input required?)
1	Do nothing	Maintain current colocation of contact and conferencing across the City	Continued poor feedback about the quality of the accommodation and disruption for children and families	Existing accommodation is considered poor quality and not efficient from property management perspective	Maintains status quo
2	Implement but at lower cost (i.e. smaller number of new contact centres)	Variability of quality and experience across the City	Could create pressure on the new facilities and difficult to decide how to rationalise the invest in which parts of the City.	Cheaper to invest in than the optimum but loss of quality	Can be implemented

These alternate options were rejected on the basis that they do not deliver the maximum benefits as set out in this proposal. The only other feasible option would be private lease of accommodation. However, previous experience has indicated that this has not been a successful option. Also, contact is a court directed activity, so the Trust must discharge this service (it cannot be delegated).

Evaluation of key risks and issues of preferred option

- Unable to secure suitable accommodation within time/ cost parameters.
- Capacity to support the new contact arrangements separate from conferencing

Other impacts of the preferred option

This investment would further strengthen the relationship between the Council and the Trust and serve to highlight that the two organisations can work collaboratively to deliver a better service offer for vulnerable children and their families and carers.

Commercial Case

Partnership, Joint venture and accountable body working

The project would form part of the scope of the contract between the Council and the Trust, with directorate oversight from Education & Skills through the Operational Commissioning Group and the Council in the form of the Children's Trust Partnership Governance Group.

Procurement implications and Contract Strategy

This would be implemented as a change control to the existing service delivery contract between the Council and Children's Trust. There is an expectation that the contact centres would be delivered through new purchases – to date, external landlords have not proven that successful (e.g. former South Access Centre - now closed) – the new purchases would remain in the ownership of the Council.

Staffing and TUPE implications

It is expected that Trust staffing would be managed within existing resources, and that there may be some potential to divert non social worker resources into front line support to children and families.

Financial Case

This sets out the cost and affordability of the project

Financial implications and funding

Financial Year:		2021/22	2022/23	2023/24	later	Total
		£000	£000	£000	£000	£000
Capital code:						
CAPITAL EXPENDITURE						
Capital costs already incurred		0.0	0.0	0.0	0.0	0.0
Other costs to complete:						
Fees		0.0	0.0	0.0	0.0	0.0
Land acquisition		0.0	0.0	0.0	0.0	0.0
Works (incl' kitchen/bathrooms)		1,800.0	0.0	0.0	0.0	1,800.0
Furnishings		150.0	0.0	0.0	0.0	150.0
Contingencies		90.0				90.0
Total capital expenditure		2,040.0	0.0	0.0	0.0	2,040.0
CAPITAL FUNDING:						
Development costs funded by:						
BCC Invest to Save		2,040.0	0.0	0.0	0.0	2,040.0
Other costs funded by:						
		0.0	0.0	0.0	0.0	0.0
Total capital funding must fund all the costs		2,040.0	0.0	0.0	0.0	2,040.0

	2020 / 2021 £m	2021 / 2022 £m	2022 / 2023 £m	2023 / 2024 £m	2024 / 2025 £m
Revenue Code:	RV00E N070 A00	RV00E N070 A00	RV00E N070 A00	RV00E N070 A00	RV00E N070 A00
Upfront Costs - Project Implementation costs	0.05	0.05	-	-	-
RCCO	-	-	-	-	-
Ongoing Costs - Staffing costs	-	-	-	-	-
Ongoing Costs - Premises running costs	0.4	0.4	0.4	0.4	0.4
Cost Reduction	-	-	-	-	-
Increased Income	-	-	-	-	-
Net Revenue Costs (Sum of the above)	0.4	0.4	0.4	0.4	0.4
Reserves	-	-	-	-	-
Borrowing (Credit)	2.0				
Repayments (Debit)	0.1	0.1	0.1	0.1	0.1
Net Revenue Impact (Net Costs minus Reserves, Borrowing and repayments)	2.5	0.5	0.5	0.5	0.5

In this instance, the costs of repaying the borrowing are reflected for completeness.

Evaluation and comment on financial implications

Financial assumptions:

- (a) £300,000 for planned maintenance of existing Trust properties including replacement kitchens, bathrooms, boilers
- (b) £500,000 investment in improvement to existing property
- (c) £1.2m for three new contact centres at some £400,000 each
- (d) Annual revenue running costs of contact centres for staffing and operating costs will be within existing budget and inclusion payment of rent (£0.4m) to BCC for properties (funded by BCC to BCT).
- (e) Inclusion of 10% capital outlay for furnishing of new contact centres

One-off costs in relation to project implementation is as follows:

Item	Description	Total Cost £m	Revenue/ Capital
Project implementation Officer	1 FTE to design roles, build system integration, establish implementation plan (6 months)	0.05	Capital (one-off project cost)

Payback Period for Use of Reserves

Not applicable

Approach to optimism bias and provision of contingency

Optimism bias has been built into the overall contingency forecasts.

Taxation

No additional tax implications.

Project Management Case

This considers how project delivery plans are robust and realistic

Key Project Milestones

A full project plan and associated risk log will be completed upon approval of this full business case.

Key Milestones	Start Date	End Date	Output	Owner
Design principles/ staffing resource requirements and specifications for property	01/09/2020	30/10/2020	Resourcing specification	Lee Yale-Helms
Source Properties /renovation/ preparation	01/09/2020	31/05/2021	Property assets ready	Lee Yale-Helms
Launch on new contact centres	01/07/2021			Jenny Turnross

Achievability

The Trust has dedicated PMO and management capacity with the capability to deliver this initiative.

Resources, roles and responsibilities

Role	Responsibility	Days / Hours Required	Cost
Project / Programme Leadership			
Project / Programme Board	Life Course Board	Time Neutral	Cost Neutral
Project / Programme Sponsor	Andy Couldrick	Time Neutral	Cost Neutral
Cabinet Member	Cllr Booth	Time Neutral	Cost Neutral
CMT	Andy Couldrick	Time Neutral	Cost Neutral
Programme Management Office (PMO)	Lee Yale-Helms	Time Neutral	Cost Neutral
Project / Programme Team			
Programme Manager	Marcus Herron	Time Neutral	Cost Neutral
Project Manager	Anita Mullins	Time Neutral	Cost Neutral
Senior User	N/A		
Senior Supplier	N/A		
Functional Lead	N/A		

Sign Off

Approval Role	Name	Date
Project Sponsor / Director	Lee Yale-Helms	10/01/2020
Finance Business Partner	Paul Stephenson	10/01/2020
CMT	Andy Couldrick	19/12/2019