THE UNIVERSITY OF LEEDS

<INSERT NAME of APPROVAL BODY>

**<PRIMA FACIE BUSINESS CASE> or <FULL BUSINESS CASE> FOR <INSERT TITLE OF INITIATIVE>**

*The attached Full Business Case is for <insert title>. The aim of the initiative is <insert brief description of the initiative aim(s)>. Following endorsement by <list any previous committees that have endorsed the initiative, delete if no previous endorsement>,<insert approval body> is requested to approve the investment of <£xm>, net of external funding of <£ym>.*

**The need for investment**

1. Write a statement of what you are asking for and why you are asking for it.

**Strategic context**

1. Provide a brief narrative outlining how the proposal supports the University’s strategic priorities.
2. Summarise the external market rationale and competitive context.

**The proposal**

1. Provide a brief narrative to outline the scope of the initiative.

**Financial implications and benefits of the investment**

1. Benefits summary

The table below shows the key benefits associated with the project:

|  |  |  |  |
| --- | --- | --- | --- |
| **Benefit** | **Measure** | **Current Performance** | **Future Expected Performance** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

1. Confirm the headline financial and non-financial benefits of the proposal and how the investment delivers these.
2. Financial summary of options

A summary of the financial information is provided in the table below:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Option Considered** | **Capital Cost****£,000** | **Recurrent Cost****£,000** | **Income****£,000** | **NPV****£,000** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. Confirm which option you are recommending for approval and provide key reasons why.
2. Show the financial sensitivity of the initiative outcomes to significant fluctuations in key variables (e.g. income shortfalls), along with mitigating actions that would be used in such circumstances to achieve an appropriate return.
3. Provide a brief statement on the programme affordability position (provided by Head by Finance, FD)

**Key dates**

1. The following estimated key dates apply to this initiative:

|  |  |
| --- | --- |
| **Key Dates** | **Estimated Date** |
| Start Test and Deliver Phase/Start on Site |  |
| Initiative Go Live/In Use |  |
| Key Date(s) Associated with Funding |  |
| Post Investment Review |  |

**Recommendation**

1. Provide a statement confirming the recommendation that is being requested. Include the Capital Sum being requested

<INSERT NAME OF AUTHOR>

<INSERT ROLE TITLE OF AUTHOR>

ANNEX 1 Prima Facie Business Case/Full Business Case

ANNEX 2 Financial Appraisal Document for Capital Cases (NPV)

ANNEX 3 Add as required (e.g. Key Criteria Scoring Matrix, Financial KPIs, Risk Register)

ANNEX 1

**<< Initiative Name>>**

**<Prima Facie Business Case> or <Full Business Case>**

**(*please select*)**

|  |  |
| --- | --- |
| **Initiative Code**  |  |
| **Faculty, School, Directorate Name** |  |
| **Executive Sponsor** |  |
| **Business Lead** |  |
| **Author** |  |
| **Programme/Project Manager** |  |
| **Estimated Capital Cost (£)** |  |
| **Funding Source(s)** |  |
| **Document Status** | DRAFT |
| **Forecast Date of Approval** |  |

Document Review

This document has been reviewed by:

|  |  |  |  |
| --- | --- | --- | --- |
| Role | Name | Method of Acceptance/Signature | Date of Signature |
| Sponsor |  |  |  |
| Faculty/Service Finance Manager |  |  |  |
| Head of Finance, Facilities Directorate |  |  |  |
| Head of Management Accounting |  |  |  |
| Director of Estates |  |  |  |
| Head of Programme Management Office, Facilities Directorate |  |  |  |

Guidance note

* **Guidance boxes (like this one) are provided throughout the document. Once the document is drafted, please delete this box and any subsequent guidance boxes throughout the document.**
* Please write the text supporting the case outside of the guidance box (either above it or below it) then delete the box.
* The first page of this document is the formal approval document, which must be compliant with the Secretariat’s house style. The rest of the document is considered to be an ANNEX to the approval document and contains the detailed assessment.
* All text (except Heading Titles) should be in Arial font, size 11, colour: black.

To update the table of contents on the previous page, follow the instructions below:

1. Select the table, right click.
2. Select ‘Update Field’ from the menu.
3. You can then update the entire table or just the page numbers. You will need to select ‘Entire Table’ if you have added or deleted sections.
4. If sections do not appear in the contents table, ensure you have used the formatting tool to create the headings and sub headings.

This is template version 1.2

**Ensure that you use the latest version of this template from the** [**website**](https://facilitiesdirectorate.leeds.ac.uk/investment-appraisal/)

Version Control

Record any version changes in the table below when circulating drafts:

| Version | Revision Date | Summary of Changes | Changes Made By: |
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**Sections 1 to 3**

**Business Case and Options Appraisal**

# Strategy, Vision, Objectives and Market Rationale

## University Strategic Alignment

Key questions to answer:

* In what way(s) does this proposal help to achieve the University’s strategic aims?
* Why is the investment critical to the business area (e.g. Faculty/ Service)?
* How does it build on actions already taken by the business area?
* How will it help transform the performance of the business area?
* How might other functions within the University benefit, e.g. space released for other uses?

Guidance

* Explain how the initiative aligns with the University’s strategic priorities under the sub-headings of Research, Students, International and Estates or IT strategy.
* When writing this section, focus on the key strategic priorities that will be supported by this initiative rather than attempting to write a paragraph on every priority. If the initiative does not support any strategic priorities under a particular sub-heading then delete the heading.
* Highlight where the initiative is addressing elements of the Estates or IT strategy, for example, where it addresses a fitness for purpose or maintenance shortfall.

**1.1.1 Research**

<The following strategic priorities will be supported by this initiative><delete if not relevant>.

**1.1.2 Students**

<The following strategic priorities will be supported by this initiative><delete if not relevant>.

**1.1.3 International**

<The following strategic priorities will be supported by this initiative><delete if not relevant>.

**1.1.4 Estates or IT strategy**

<The following Estates- or IT-focused strategic priorities will be supported by this initiative><delete if not relevant>.

## Market Rationale and Competitive Context

This section is required for a business case that is proposing increased income.

Key questions to answer:

* How does the external market support the case for the proposal? Provide detailed evidence, benchmarking the University’s current position compared to our competition and where we want to be.
* If the proposal is research based, how has the opportunity arisen?
* What is our current share of funding in this area; is this funding stream growing and why is there an opportunity to grow our share of funding?
* If the proposal is teaching based, what are the market trends, what is our current position, how can we exploit the opportunity and to what scale?
* Who are the main competitors, what has been their focus and investment, how have they been performing in relation to the University of Leeds (financial and non-financial performance)?
* To what extent will the proposed investment take income away from the competition (gain market share)? If this is the case, how will it achieve this?

Guidance

* Explain factors and circumstances in the external market that have created this opportunity.
* For research-based cases, explain how the opportunity for increased income has arisen including details of the relevant funding institution (e.g. Engineering and Physical Sciences Council (EPSRC)). Include the following:
	+ Key objectives of the funding body and how they link to the academic area.
	+ Total number and value of annual grants for the relevant academic area over the grant’s timeframe.
	+ Historic and predicted future trends.
	+ The relevant academic area’s performance in securing grant funding.
	+ How income opportunities arise from the above and to what scale.
* For teaching-based cases provide detailed analysis of student number predictions, market projections and how the market opportunity intersects with the strengths of the relevant academic area.
* Summarise the main outcome of a full market analysis, how this has been derived (ideally using externally derived projections), the information used and how it has been gathered.
* The market research should consider the risks and opportunities associated with the external environment, e.g. market research estimates that there will be growth of 20% in this sector over the next five years with anticipated increases to private sector funding for research of £?m per annum.
* A tool such as PESTLE can be used to support the rationale by considering the following external factors: Political, Economic, Social, Technological, Legal, Environment.
* Present relevant league tables including how we benchmark against key competition.
* For taught income proposals, reference should be made to Higher Education Statistics Agency (HESA) market data, which is supplied to faculties on an annual basis.

## Drivers for Change

Key questions to answer:

* What are the key drivers for the change? What gaps will be addressed by this initiative?
* For example, which of the following will it help achieve?
	+ Growth (new programmes, research activity, student recruitment).
	+ Improvement in academic performance.
	+ Improved academic quality.
	+ Positive impact on condition and sustainability of the University’s estate and infrastructure (provided in conjunction with Estates).
	+ Income protection (to maintain current levels of activity).

## Vision

Key question to answer:

* What is the compelling long-term vision that underpins this proposal?

Guidance

* Include a statement that describes the clear and aspirational opportunity or long-term desired change resulting from the initiative.
* A vision is a picture of a better future. It is the basis for the outcomes and delivered benefits of the initiative.
* The vision statement is the outward-facing description of the future state following initiative delivery and will describe the new services, improved service levels, or innovative ways of working with customers. It should be used to engage and gain commitment from as many stakeholders as possible.
* The vision statement sets out a high-level picture of the future. It sets the context for the specific performance improvement outcomes that the initiative must deliver.
* Include a statement describing how the initiative aligns with the vision of a sustainable University outlined in the Sustainability Strategy; consideration should be given to all elements of sustainability; environmental, social, economic and cultural impacts.

## Objectives

Key question to answer:

* What are the objectives of the initiative?

Guidance

* The objectives of the initiative should be clearly stated in this section.
* Objectives are lower-level statements that describe the specific, tangible products and deliverables that the initiative will deliver.
* The statement could start as follows “We will achieve the vision through delivering the following objectives…”
* For further guidance on how to define objectives, refer to the delivering results guidance at: <http://deliveringresults.leeds.ac.uk/delivering-results-themes/oversight/benefits/>

# Success Criteria

Key questions to answer:

* How will we know whether this initiative has been successful?
* Where are we today compared to our benchmarks (league tables, NSS)?
* Where do we want to be?
* What needs to happen to get us there?

Guidance

* Success criteria are the outcomes by which the initiative will ultimately be judged by the stakeholders. These could also be called ‘critical outcomes’.
* The success criteria will provide a measure of success of the initiative and will be revisited at the Post Investment Review. The results will be reported to Council at the end of the process.
* The success criteria and strategic case may require approval by a research or student governance group before the business case is approved.
* Examples include:
	+ Increase in annual research income from £xk per FTE to £yk per FTE.
	+ Levels of PGR recruitment compared to peers, from below Russell Group average to above.
	+ Levels of PGT recruitment, e.g. from x to y FTE students.
	+ Improved cohort mix in terms of percentage international (non-home/EU) students.
	+ Employability of students, student satisfaction, impact case studies, league table position, REF research intensity, etc.
	+ Sustainability improvements.

**Table 2.1: Success Criteria, Performance to Date and Future Performance**

| **Success Criteria** | **Benchmark Position** | **Performance to Date** | **Future Performance** |
| --- | --- | --- | --- |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

# Options Appraisal

## Proposed Options

Key questions to answer:

* What options have been considered?
* What are the key factors in determining the preferred option?

Guidance

* Describe the scope of each option, including the ‘do nothing’ option, and explain why you have selected the options that were considered.
* For the ‘do nothing’ option, expand on the implications of this option and what the long-term effects would be in terms of the faculty/business area, aggregated up to the strategic level in the University.
* Have you considered using existing assets to meet your requirement? This should be included as one of your options.
* Describe each of the options considered.
* Have you considered any options that enhance sustainability?

**Option1 – Do nothing**

<Provide a description of the scope of work and why selected>.

**Option 2 – Use of existing assets**

<Provide a description of the scope of work and why selected>.

**Option 3 – Scope title**

<Provide a description of the scope of work and why selected>.

**Option 4 – Scope title**

<Provide a description of the scope of work and why selected>.

\*Repeat for as many options as considered

## Key Benefits of Options and How they are Delivered

Key questions to answer:

* What are the benefits of the options?
* How will the benefits be realised?
* How does the delivery of the benefits link to the investments proposed (e.g. the physical space)?
* What disbenefits might arise?
* What financial impact do the benefits and disbenefits have?

Guidance

* + - * Benefits are those outcomes that will lead to measurable improvements.
* Consider the benefits for each option in table 3.2.1 below. Examples could include:
	+ Increase of 10% in student fees income by 2021.
	+ Increase of 50% in research income and recoveries by 2021.
	+ Reduction in costs of £x by 2022.
	+ Decrease in processing time by three days.
	+ Improved resource use or efficiency.
* Specify **how** the benefits will be delivered. Will this be through expansion of programmes, increased numbers on existing programmes (taught income), increased numbers of research FTEs or research income per FTE?
* Specify how the delivery of the benefits links to the proposed investment.
* In the Linkage to Investment column, please specify which part of the estate is being used to support the activity that is delivering the benefits.
* In some cases, unavoidable negative impacts of change may be considered acceptable in the context of greater benefits. These are called disbenefits. Any significant disbenefits should also be recorded in table 3.2.2 below.
* Please record how the benefit will be measured. This will demonstrate the how the initiative has been successful.

**Table 3.2.1: Benefits, their Primary Method of Delivery, and Linkage to the Proposed Investment**

| **Option** | **Benefit** | **Measure** | **Method of Delivery** | **Linkage to Investment** |
| --- | --- | --- | --- | --- |
| Option 1 – Do Nothing |  |  |  |  |
| Option 2 |  |  |  |  |
| Option 3 |  |  |  |  |
| Option 4 |  |  |  |  |
| Option 5 |  |  |  |  |

**Table 3.2.2: Summary of Disbenefits**

| **Option** | **Disbenefit** | **How this Arises** | **Where this Arises** | **Value £** |
| --- | --- | --- | --- | --- |
| Option 1 – Do Nothing |  |  |  |  |
| Option 2 |  |  |  |  |
| Option 3 |  |  |  |  |
| Option 4 |  |  |  |  |
| Option 5 |  |  |  |  |

## Financial Comparison of Options

Key question to answer:

* How do the options compare financially in terms of capital outlay and return? What is the predicted annual income less costs?

Guidance

* Complete table 3.3.1 below, detailing the financial information associated with each option.
* The capital cost is the cost to deliver the initiative. Any dependent cost, such as enabling costs, should be flagged in the scope description.
* The recurrent cost will be the change in cost to operate the facility or system once the initiative has been delivered. It should be reflected as an annual cost. If the annual cost varies, the ‘typical’ steady state value should be used (usually within five years of delivering the initiative).
* Income should reflect any incremental income received. It should include any changes to income resulting from the initiative, e.g. student income, research grant income, etc.
* Net Present Value (NPV) is a financial calculation that allows a comparison of options taking into account the cost of the initiative and income generated over a set period of time. A standard NPV calculation sheet is available.
* For major refurbishment work, ensure that the impact of any asset write-off is considered. Finance (Treasury) keeps a log of the book value of assets and can advise on the impact of different options.

**Table 3.3.1: Financial Information Associated with Each Option**

| **Option** | **Capital Cost (£k)** | **External Capital Funding (£k)** | **Funding from Uni Capital Prog (£k)** | **Incremental Income Annual at Steady State (£k)** | **Incremental Costs Annual at Steady State (£k)** | **NPV (£k)** |
| --- | --- | --- | --- | --- | --- | --- |
| Option 1 –Do Nothing |  |  |  |  |  |  |
| Option 2 |  |  |  |  |  |  |
| Option 3 |  |  |  |  |  |  |
| Option 4 |  |  |  |  |  |  |
| Option 5 |  |  |  |  |  |  |

## Strategic Risk Profile of Different Options

Key questions to answer:

* What are the key risks or sensitivities that could affect the outcomes from each option?
* How sensitive is each option to these uncertainties, for example to significant shortfalls income?

Guidance

* This section is used to describe the key risks and sensitivities that could impact on each option.
* This should be used to inform a judgment about the strategic risk profile of each option.

**Table 3.4.1: Key Risks, Financial Impact and Possible Mitigation**

| **Option** | **Key Risks/Sensitivities** | **Impact** | **Possible Mitigations** |
| --- | --- | --- | --- |
| Option 1 – Do Nothing |  |  |  |
| Option 2 |  |  |  |
| Option 3 |  |  |  |
| Option 4 |  |  |  |
| Option 5 |  |  |  |

## Sustainability Considerations of Options

Key question to answer:

* How do the options presented comply with the University’s Sustainability Policy?

Guidance

* Explain how the options will comply with the University’s Environmental Policy and Sustainable Construction Standard.
* State whether and how any option will deviate from the policy and standards.
* State whether any of the options presents an opportunity to enhance the University’s environmental or social sustainability.

## Preferred Option

Key question to answer:

* Why is this the preferred option?

Guidance

* Confirm the preferred option and how it will deliver the desired outcomes and benefits.

**Sections 4 to 7**

**Preferred Solution Details, Recommendations and Appendices**

# Financial Analysis of Preferred Option

## Financial Forecasts

Key questions to answer:

* Is the initiative financially viable in terms of 25 year discounted cash flows? Have all relevant one-off and recurrent costs and income lines, including external funding, been considered?
* What is the impact of this initiative on the faculty/service Integrated Planning Exercise (IPE)?
* What initiative costs, recurrent costs and cost savings have been considered?
* Are there any significant additional costs arising in Faculties/Services as a result of this proposal that need linking into the IPE?

Guidance

* State clearly whether the initiative has been included in IPE projections or if it is a new initiative that is incremental.
* Where the initiative has been discussed and already included in the IPE, the impact of removing it must be documented.
* Where the initiative has not yet arisen in IPE or has not been allocated funding in capital programme plans, the financials should be presented as incremental to IPE.
* For the preferred option, summarise the financial forecast in relation to the quantifiable benefits.
* Table 4.1.1 shows the financial information summarised over a five-year period.
* Unless otherwise stated, NPV will be the cash flows over 25 years, discounted at 3.5%.
* Other Initiative Delivery Costs are Non capital, non recurrent delivery costs that could occur on some projects e.g. IT costs, strategic development costs

**Table 4.1.1: Financial Information for the Initiative over a Five-year Period**

| **Preferred Option – Financial Analysis** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **At Steady State** |
| --- | --- | --- | --- | --- | --- | --- |
| Capital Cost |  |  |  |  |  |  |
| External Capital Funding |  |  |  |  |  |  |
| **Total Funding from University Capital Programme** |  |  |  |  |  |  |
| Other Initiative Delivery Cost |  |  |  |  |  |  |
| **Total Initiative Delivery Cost** |  |  |  |  |  |  |
| Research Grant Income  |  |  |  |  |  |  |
| Student Education |  |  |  |  |  |  |
| Other - Unrestricted |  |  |  |  |  |  |
| Other – other funds |  |  |  |  |  |  |
| **Total Income** |  |  |  |  |  |  |
| Recurrent Annual Cost: Unrestricted General |  |  |  |  |  |  |
| Recurrent Annual Cost: Research |  |  |  |  |  |  |
| Recurrent Annual Cost: : Estates (Estate/ Maintenance/ Equipment) |  |  |  |  |  |  |
| Recurrent Annual Cost: Faculty (Estate/ Maintenance/ Equipment) |  |  |  |  |  |  |
| Recurrent Annual Cost: Other |  |  |  |  |  |  |
| Less: Cost Efficiency Benefits |  |  |  |  |  |  |
| **Total Revenue Costs** |  |  |  |  |  |  |
| **Annual Net Benefit/ Cost** |  |  |  |  |  |  |
| **Variance to Latest IPE** |  |  |  |  |  |  |
|   |   |   |   |   |   |   |
| **NPV** |   |   |   |   |   |   |

## Benefits

Key questions to answer:

* What are the financial benefits from the preferred option, compared to the ‘do nothing’ no investment option?
* What evidence is there to validate how achievable the proposed benefits are: for example, reference comparable recent experience (e.g. transformation initiatives) elsewhere at the University such as uplifts in research income per FTE?

Guidance

* For the preferred option, summarise the business benefits gained from the investment compared to the alternative of ‘do nothing’.
* The financial benefits should be set out in comparison to the do nothing option.
* Strategic benefits should be identified and aligned to the vision and objectives for the initiative, e.g. impact on student numbers, impact on tariff, impact on research, international reputation, operational effectiveness, student satisfaction, sustainability, quality of teaching, ability to attract other sources of income and other ‘indirect’ benefits such as engagement with wider partners.
* Summarise the logical linkage between the benefits, how they will be realised, and the physical asset/investment proposed.
* Where available, reference other universities’ experience of similar investments to validate the achievability of these benefits.

## Sensitivity and Risk Analysis

Key questions to answer:

* What are the key sensitivities and risks that could impact on the financial viability of the initiative?
* How sensitive are the financial returns to fluctuations in key variables (e.g. income) and what mitigations would be put in place to achieve the desired returns?
* At what point does the preferred option ‘break down’, i.e. cease to deliver the best financial outcome (NPV)?
* Are there any costs or benefits (e.g. income) that could have a large impact on the initiative’s financial viability, where there is low confidence in current projections/estimates?
* How do the project delivery risks relate to the level of contingency included in the capital costs?

Guidance

* + - * List the risks to the initiative. Key risks will have been identified in the options appraisal section (3.4) and the risk register should be attached in the appendices.
* A risk should describe the cause, risk and effect. Use the following wording to capture the risk. As a result of <existing condition>, <uncertain event> may occur, which would lead to <detrimental effect on initiative’s objectives>.
* For key risks, complete a sensitivity analysis to show the impact of the risk on the initiative’s outcomes. This means the factors or assumptions (e.g. income growth, recurrent costs) that would be most likely to put the financial viability of the initiative at risk should target levels not be achieved.
* Sensitivity analysis should be carried out using the NPV template.
* Provide an estimated confidence level for each risk. Confidence levels are an assessment of how likely the initiative’s outcome will be achieved, taking into account the identified risk.
* A RAID log (risks, assumptions, issues and dependencies) can be used throughout the initiative to record risk. A RAID log is available from the Delivering Result website: http://deliveringresults.leeds.ac.uk/delivering-results-themes/oversight/risk-management/
* Risks can be categorised into project risk, strategic risk, financial risk, environmental, social and operational risk. Further guidance on these risks can be found in the risk register and associated guidance.
* The mitigation should describe the action taken to mitigate the risk. This could involve avoiding the risk, reducing the probability of it occurring, reducing the impact should it occur or accepting the risk and managing the consequences.

**Table 4.3.1: Key Risks and Sensitivities that Impact on the Financial Viability of the Initiative**

| **Key Risks and Sensitivities** | **Impact on NPV (£k)** | **Confidence Levels** | **Mitigating Actions** |
| --- | --- | --- | --- |
| Description |  | In current estimates | To increase confidence levelsor to mitigate the risk |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

## Sources of Funding and Affordability

Key questions to answer:

* What external funding has been sought and secured?
* How will the initiative be funded?

Guidance

* The source of funding should be identified in table 4.4.1 below, based on current available information.
* The amount of funding provided and any key date(s) requirements associated with external funding should be stated.
* State any conditions relevant to the funding sources,
	+ For example, strategic development funding will fund the first three years of recurrent cost, or ISPG (Information System Prioritisation Group) funding for the development of a new customer relationship management (CRM) system.
* **Note that it is expected that external funding will be sought. If not, a full explanation should be given.**

**Table 4.4.1: Proposed Sources and Profile of Funding for the Initiative**

| **Preferred Option – Proposed Funding (£000’s)** | **Year 1** | **Year 2** | **Year 3** | **Year 4** | **Year 5** | **Totals** |
| --- | --- | --- | --- | --- | --- | --- |
| University Capital Programme (excl. Faculty or Service contribution) |  |  |  |  |  |  |
| Service/Faculty Capital Contribution |  |  |  |  |  |  |
| ***Subtotal Capital Programme including Faculty or Service Contribution*** |  |  |  |  |  |  |
| External Capital Funding |  |  |  |  |  |  |
| ISPG |  |  |  |  |  |  |
| Strategic Development Fund |  |  |  |  |  |  |
| External Funds: Other (eg Alumni) |  |  |  |  |  |  |
| Other Funding – Specify |  |  |  |  |  |  |
| ***Total Funding*** |  |  |  |  |  |  |
| **Total External Funding** |  |  |  |  |  |  |
| **Total Internal Funding** |  |  |  |  |  |  |

## Assumptions

Key questions to answer:

* What are the key assumptions underpinning the business case?
* What are the tax planning assumptions?

Guidance

* To develop an understanding of the initiative’s scope, it is often necessary to make assumptions. Some of the assumptions could significantly impact on the business case; key assumptions should therefore be recorded in table 4.5.1 below. For example:
	+ It is assumed that 50% of the additional recurrent costs will be funded via IPE.
	+ It is assumed that building B can be used as a decant area while refurbishment of building A is undertaken.
* Assumptions about tax planning should be included, in the capital project VAT and in ongoing operations

**Table 4.5.1: Initiative Assumptions**

| **Assumptions**  |
| --- |
| A1. |  |
| A2. |  |

# Delivery of the Investment and its Benefits

## Key Enablers

Key question to answer:

* What non-capital enablers underpin the success of the investment?

Guidance

* This should include a wide-ranging assessment of changes required – including key people (key leaders, UAFs), alliances and networks inside and outside the University – which, in addition to the proposed investment, are required to achieve the proposed outcomes.

## Changes to Key Ways of Working

Key question to answer:

* What changes in the way the organisation operates need to take place to support this new initiative?

Guidance

* Describe the desired/future ways the organisation will operate following the delivery of the initiative. Define the ‘as is’ model/current state and the ‘to be’ model/future state.
* It might be useful to consider processes, organisation, technology, information and data (the POTI model).
* For larger initiatives, it may be appropriate to develop a target operating model (TOM), which explains the desired future state.
* The Business Change team can provide support on completing this section.

## Constraints and Dependencies

**5.3.1 Constraints**

Key question to answer:

* Are there any key constraints that need to be made visible?

Guidance

* Record any factors that limit the team’s options, time, schedule, resources, cost or scope. Some constraints could significantly change the way the initiative is approached and should be recorded in table 5.3.1.
* If there are any constraints associated with funding, the key constraints should be stated here, for example:
	+ Funding for the initiative requires its completion within a two-year period starting from [insert date].

**Table 5.3.1: Initiative Constraints**

| **Constraints** |
| --- |
| C1. |  |
| C2. |  |

**5.3.2 Dependencies**

A dependency is one of the following:

* A separate initiative or activity that is required to achieve a successful outcome for this initiative.
* A separate initiative or activity that is dependent on the outcome of this initiative. For example:
* Before the initiative A can progress, initiative B needs to have refurbished the first floor of building X to use as decant space.

**Table 5.3.2: Dependencies on Other Activities**

| **Dependencies** |
| --- |
| D1. |  |
| D2. |  |

## High-level Timescales

* This section provides the current estimate of timescales to deliver the initiative.
* The milestones below are recommended however, please add or remove as appropriate.
* Some key dates require approvals (e.g. FBC). Where applicable, specify the approval body. This could be internal to a Faculty or Service or for higher value initiatives could be Capital Group, University Executive Group (UEG) or Council.

**Table 5.4.1: High-level Timescales**

| **Key Date/Milestone** | **Description** | **Approval Body** | **Date** |
| --- | --- | --- | --- |
| Key Date(s) Associated with Funding |  |  |  |
| SOC Approval |  |  |  |
| Prima Facie Business Case Approval |  |  |  |
| Full Business Case Approval |  |  |  |
| Start Test and Deliver Phase/Start on Site |  |  |  |
| Go Live/In Use |  |  |  |
| Post Investment Review |  |  |  |

## Oversight and Governance

* A high-level overview of how the initiative will be managed and reported should be provided, including structures and controls, which will enable the initiative to reach key milestones and deliver the benefits, e.g. Programme/Initiative Boards, working groups, etc.
* For the Prima Facie Business Case approval, describe the structures and controls in place to reach Full Business Case approval.
* For the Full Business Case approval, describe the structure and controls in place to deliver the initiative.

## Other Delivery Considerations

* Outline whether the plan aims to deliver this initiative using internal/external resources.
* Detail the testing and resources required to ensure that the initiative delivered is fit for purpose.
* Consider whether training is required – technical training for delivery and end-user training.
* Outline the high-level communication plan.

# Conclusions and Recommendations

* Conclude the business case with a concise summary of key conclusions and the recommendations being made to the approval body.

# Appendices

* The University’s convention is to annex key documents that support the main paper and name them in the bottom left of the main paper. It is recommended to include the following documents as an annex:
	+ Financial Appraisal Document for Capital Cases (NPV)
	+ Risk Register
	+ Financial KPIs
	+ Key Criteria Options Analysis
* Any other documents that are referenced in the business case should be included in table 7.1 as appendices. Examples could include:
	+ Market Analysis Documents
	+ Quality Control and Assurance Framework.

**Table 7.1: Appendices Providing Supporting Information**

| **Appendix Number** | **Description** |
| --- | --- |
| 1 |  |
| 2 |  |
| 3 |  |