

Future Oxfordshire Partnership

Project Business Case

PROJECT CASE

The purpose of the Project Case (PC) is to provide a simplified stand-alone business case. It is based upon the 5 case model for business cases recognised as best practice by Government and aligns to the green book requirements of business case development.

<https://www.gov.uk/government/collections/the-green-book-and-accompanying-guidance-and-documents>

Programme Name:	
Project Name:	Explore opportunities for enhanced support to encourage and enable a faster rate of delivery of new affordable homes, focusing on community-led housing.
Proposing Organisation and proposed nominated lead authority.	FOP- lead authority agreed to be West Oxfordshire DC
Prepared by:	Paul Staines
Job Title:	FOP Programme Manager
Organisation:	Future Oxfordshire Partnership
Date:	22/10/24
Concept Paper:	Approved by EOG 23/5/24

1 The Strategic Case

Please provide a summary of the proposed project that can be used as a stand-alone summary of what is being proposed (up to a maximum of 500 words). The summary should include a brief project description and case for change/ why it is necessary, target objectives and associated outputs.

Please provide a reference to evidence how your project contributes to the Future Oxfordshire Partnership's endorsed programme and the Oxfordshire Strategic Vision.

In 2022 FOP commissioned a study of community led housing (CLH) in Oxfordshire. The study, funded by Homes England concluded that to enable a step change in the delivery of community led housing, Oxfordshire had to address three key issues. These were the availability of land, the availability of advice and guidance for community groups looking to develop CLH and finally a source of finance for all aspect of housing development.

Councils' response to the first of these issues has been-in some instances- to seek to secure provision for community led housing in local plans such that, on sites of a certain size a proportion of the site is reserved for CLH.

The response to the second of these issues, the availability of technical advice and guidance led to councils jointly funding a two-year programme with Community First Oxfordshire (CFO) to provide an advice resource that aspiring community housing groups could access to enable them to move forward with the process of conceiving and then planning for a CLH development in their community. This funding is 12k per annum for 24/25 with some councils considering its extension for a further year. This provides for one day a week of a skilled officer from CFO.

This resource has also been bolstered by a successful bid by CFO to DEFRA to fund a Rural Housing Enabler, also initially for one year to March 2025 but with a hoped for extension. This resource complements the councils by reaching out to parish councils and local landowners to attempt to promote small scale rural exception sites. CLH housing is often seen by these groups as a preferred route for the development of affordable housing as it maximises community control over the housing.

This business case proposes to build upon these resources. It recognises, as the council current project does that fledgling CLH groups struggle to configure themselves and understand how to take the next steps on their journey. Whilst the current resource is valuable, it requires the CLH groups to proactively communicate with CFO/Councils and to be established and organised enough to do so. This new additional resource will allow the capacity for an outreach enabling service to fledgling CLH groups, helping them to conceive of their vision of a development and enabling them to benefit from the advice service that CFO offers on the council's behalf. It is considered that doubling the current resource to two days per week would enable this.

This business case therefore anticipates but does require that councils will be content to consider the continuation of their current funding of £2 k per annum until March 2026. If councils choose not to extend their funding the scale of this project will alter to replicate the project funded by the councils

This project is one of a suite endorsed by the working group of Leaders and senior officers in September 2023 and subsequently approved by FOP. This approval was based in part upon an acknowledgement that the project contributed to one of the outcomes of the Strategic Vision to *have energy efficient and affordable homes in the right number, location and tenure*, as part of a contribution to delivering 5 of the 9 outcomes of the Strategic Vision as identified in the concept paper approved by EOG.

CFO have confirmed that this additional resource could begin in autumn 2024 and run until March 2026. The estimated cost would be a total of £38,000, which includes a contribution to organisational service costs of £5.5k.

1.2 SMART Objectives- how we will measure success of the project

No.	Objective	Baseline	Target(s)	Actions to achieve objective	Project Outcome(s)
1	New groups contacted/enabled*	Current CFO baseline	TBC	Mail shots PC meetings and newsletters, wider publicity	Wider spread of message that service exists
2	Groups established and developed*	Current CFO baseline	TBC		Increase in numbers of groups formally established
3	Number of affordable units enabled*	Current CLH pipeline at 31/10/24	TBC	Project plans for each scheme developed by CLH with assistance from the project resource	Successful pipeline of proposed affordable units established
4					

*These are suggested targets/milestones. It is proposed that the Project Steering Group, upon its inception are set the task of agreeing with CFO the final targets for the project using these as a suggested guideline.

1.3 Equalities


Explain how this project will contribute towards equality within Oxfordshire, including how health inequalities and equalities (protected characteristics as defined by the Equality Act) have been considered in the production of this business case.

The lack of affordable housing is recognised as one of the prime determinants of inequality within Oxfordshire and this project will seek to address this inequality. It will do this numerically by adding to the quantum of affordable housing in the county. It will also however address community inequality. At present, in smaller Oxfordshire communities those in housing need are faced with such a paucity of options that they are forced to seek housing solutions away from their communities thus depriving these communities of their life blood as well as contributing to the loss of diversity and vibrancy in that community, the reversal of which is a key outcome of the Strategic Vision.

The equality Act 2010 is designed to ensure that everyone gets a fair chance to thrive in life. There are 9 protected characteristics identified in the act that the legislation acknowledges that a person could, if they had one or more of the characteristics, be consequently subject to discrimination.

Whilst the provision of affordable housing contributes to equality of opportunity to affordable housing as identified above. The mechanism of allocating the affordable housing once developed provides an opportunity to ensure that the protected characteristics are reflected in the allocations policy. Whilst the properties will most likely be owned by a Registered Provider (RP) all RPs are required by an Independent Regulator of Social Housing to have allocations policies that comply with the Equality Act. This plus the ability of the councils who host the properties to contribute and influence RP allocations policies will lead to the project addressing inequality of opportunity for housing.

1.4 Governance

Does external governance- i.e. constituent partners apply to the Project Business Case?	YES		NO	
If YES, please provide details of organisations:				
If YES, please set out external approval requirements with dates for consideration				

1.5 Stakeholder Involvement

Provide the names and comments of the following stakeholders who have been sighted on this business case prior to submission, note this is a mandatory requirement.

Stakeholder	Name	Date
Project Senior Responsible Owner (SRO)	Andrew Down	

Comments:

Stakeholder	Name	Date
Programme SRO- if different from Project SRO	As above	

Comments:

Stakeholder	Name	Date
FOP Director	As above	

Comments:

1.6 Core Stakeholder Engagement from nominated lead authority

Stakeholder	Name	Date
Finance Lead	Georgina Dyer- WODC	

Comments:

Stakeholder	Name	Date
Legal Lead	Helen Blundell- WODC	

Comments:

Stakeholder	Name	Date
Communications Lead	Becky Cheshyre	

Comments:

2 - The Economic Case

2.1 Benefits Appraisal

Summarise the main benefits associated with the achievements of the project's objectives by beneficiary.

No:	Benefit- summary	Benefit Type	Beneficiary- to whom will it be of value
1	Increased quantum of affordable housing	Wider Social and economic	Local people in affordable housing need
2	Community enhancement and development	Wider Social and economic	Local people in affordable housing need and wider communities indirectly
3	Added value caused by complimentary projects working together	Indirect public sector benefits Wider Social and economic	Local authorities and partners Local people in affordable housing need and wider communities indirectly
4	Focussed development of affordable housing with community support	Wider Social and economic	Local people in affordable housing need and wider communities indirectly

2.2 Key Risks

Specify the main risks associated with the achievement of the project's objectives. Outline the proposed counter measures for avoidance, mitigation, and management.

Risk	Impact (1-5)	Probability (1-5)	RAG Rating- post mitigation	Risk Owner	Mitigation
Service risk- that the project fails to deliver an increased quantum of affordable housing	2	1		Project lead	Regular monitoring and corrective action from working group
Reputational risk- that the project is not able to engage with aspiring or developing community groups leading to concerns that it is not aligned to the needs of communities	3	2		Project lead	Regular monitoring and corrective action from working group

2.3 Options Analysis & Appraisal

Please identify a minimum of 4 options and complete a shortlisting exercise within the table below; options must include 'BAU/Do Nothing' and 'Do Minimum'.

Option	Description	Shortlisted (S) / Rejected (R)	Meets objectives (Y/ N)
1.	Business as usual- no contract awarded	R	N
2.	Minimum service for CLH is provided by local authorities	R	N
3.	Increased service for CLH is procured inviting external partners	R	N*
4.	Increased service for CLH is provided by CFO	A	Y

*Increased service from other than CFO fails to secure added value from joining existing programmes as described and would require termination of existing arrangements, thus leading to delays, additional indirect costs such as procurement and a loss of service momentum

Using the same option numbering above, complete the following options appraisal summary:

	Option 1	Option 2	Option 3	Option 4
Net Costs (Capital & revenue)	nil	£100,000*	£60,000**	£38,000
Benefits that arise (monetary & non-monetary)	None	An as yet undefined service to CLH groups	An as yet undefined	Service as per agreed tender

			service to CLH groups	
Risks associated	Reputational and service	Reputational and service	Reputational and service	As defined above

*Estimate based upon 0.3 officer time in each authority to provide service with on costs. Note no budget provision made in any council for this scenario.

**Based upon the same contract award costs plus indicative estimate of costs of procurement, legal financial and officer time to set up process etc

2.4 Recommended/ Preferred Option

Please confirm which Option you deem to be the preferred option. Conclusions should be drawn on each of the different options considered in terms of cost, benefit, risk and its ability to meet the project objectives.

Option 1- do nothing would be ill advised as FOP have already approved the development of the project in the public domain , thus risking reputational damage. It would also not align to current councils 'priorities and Local Plan policies that are seeking to promote CLH and self-build.

Option 2- Councils have indicated that they do not have current capacity or budgetary provision/ flexibility to offer the service- it would be more expensive if they did as a separate resource for each council would be required. Given the lack of provision or capacity to do so the consequences are as option 1.

Option 3 presupposes that there is a market of consultants that could offer this service, officers' opinion is that this is not the case and if procurement were required it would be classed as an exemption. It's also clear that to start afresh on any procurement, if this were possible would be more expensive and delay the project, both as a result of the process and in its early stages as the new consultant would be starting afresh. For these reasons option 3 is not recommended.

Option 4 is recommended for the following reasons.

- 1 It offers the best value for money for the service.
2. It offers continuity of service, building upon the work CFO have already done in the district to engage with CLH and self-build groups on the back of existing contracts with councils.
3. It allows the added value of weaving the project into the work sponsored by DEFRA and the councils , thus ensuring maximum value from our investment.

3 The Commercial Case

3.1 – Procurement Arrangements

Provide an overview of the procurement arrangements in place to ensure the preferred option can be delivered. This answer should explain the procurement activity to be carried out and set out the proposed commercial and contractual arrangements for the negotiated deal.

State the ability of the marketplace to provide the required goods or services and the attractiveness of this proposal to potential service providers. Also include detail on how the respective procurement and legal teams have been consulted with regards to the impact of subsidy control on the project' (including HR/IT personnel implications).

It is not proposed to pursue any procurement process for this as explained above. Officers' view is that there is no ready marketplace for this service.

This will be agreed with the authority that leads this project once this is known.

Instead, there will be a funding agreement drawn up between FOP and CFO governing the finances of the project.

3.2– Charging timeline

State how the project intends to make payment for its key services and outputs over the expected lifespan of the contract(s).

The contract will be paid in full at its inception.

4 The Financial Case

4.1 – Capital and Revenue Funding Statement

Provide an overview of the proposed funding package to deliver the project within the table below and include the remaining funding gap (if applicable).

A written summary of the overall affordability of the project and the funding that has been secured to date must be provided. Where there is a shortfall in available funding, provide details of how this will be addressed and the level of contingency included.

The project is to be fully funded from Growth Deal Capacity Fund, reflecting the fact that the promotion of innovative schemes to promote affordable housing was a key part of the Growth Deal.

4.2 Project costs

	Status (Secured/ Not Secured)	£
Revenue	Secured	£38,000
Capital	N/A	-
Total	Secured	£38,000

4.3 Budgeted Cashflow

Complete the cashflow table below setting out both income and expenditure. Amend fiscal year dates as required and number of funding sources.

Year (fiscal)	Q 1 - 2 2024/25	Q 3 - 4 2024/25	Q 1 - 2 2025/26	Q 3 - 4 2025/26
Income (£)				
Revenue		-		
Capital		-		
Expenditure (£)				
Revenue		£38,000		
Capital		-		
Net Position		£38,000		

5 The Management Case

5.1 – Management and Governance

Provide an overview of the necessary management and governance arrangements both in the delivery phase and in operation i.e., include detail on:

- *Governance and decision-making arrangements*
- *Change management arrangements*
- *Benefits realisation arrangements and plans*
- *Contract management arrangements*
- *Post evaluation arrangements*

The project will be managed by a dedicated officer steering group drawn from partners councils and chaired by CFO. This group will undertake all project management functions, utilising the project management capacity of FOP and will provide reportable information for EOG and whichever member meeting inherits the projects political oversight.

A key early task for the working group will be the establishment of reporting methodologies including risk and benefits and to agree frequency of reporting cycles, building upon those already agreed with councils.