



ABSTRACT

This document provides guidance based on HM Treasury's Green Book and WMCA Requirements to assist in the writing of a Project Case

Programme Assurance and Appraisal
February 2024

Version Control Sheet

Version No.	Date	Author	Changes
V1.0	March 2023	Programme Assurance Appraisal &	First Launch of Project Case Guidance
V1.1	September 2023	Programme Assurance Appraisal &	Update in line with Business Case template update
V2.0	October 2023	Programme Assurance Appraisal &	Planned yearly update including but not limited to; addition of Inclusive Growth and Equalities Section, more detailed guidance on Risk Management and Monitoring and Evaluation
V2.1	February 2024	Programme Assurance Appraisal &	Update to stakeholder information and improved guidance on Inclusive Growth and Equalities Section

Version No.	Date	Approver	Approvals
V1.0	March 2023	Programme Assurance Appraisal &	Task and Finish Group Activity
V2.0	October 2023	Programme Assurance Appraisal &	Programme Appraisal
V2.1	February 2024	Programme Assurance Appraisal &	Programme Appraisal & Centre of Excellence

Related Documents

Reference	Related Documents
WMCA SAF TP021	Project Case

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A key principle that underpins the Single Assurance Framework (SAF) is delivering enhanced evidenced based decision-making across everything that the WMCA does, this requires ensuring that decision-makers are as informed as they can be with the right information.

To support this approach the SAF requires the development of business cases using HM Treasury's Five Case Model as outlined within The Green Book, in a scalable and proportionate way that incorporates WMCA requirements such as alignment to Strategic Objectives, Policy and Inclusive Growth.

A well-prepared Project Business Case:

- enables the organisation and its key stakeholders to understand, influence and shape the project's scope and direction early in the planning process
- assists decision-makers to understand the key issues, the available evidence base and to avoid committing resources to schemes that should not proceed
- demonstrates to senior management, stakeholders, customers and decision makers the continuing viability of the project, and provides the basis for management, monitoring and evaluation during and after implementation

This guidance document sets out the requirements that need to be delivered when submitting a Project Case. The guidance is designed to help with the completion of the PC by explaining what the WMCA and Green Book standards are that will be appraised, assessed, and considered through the decision-making process.

The Purpose of a Project Case

A PC is a simplified business case that lists project details where a project is being delivered under a Programme Business Case.

A Project Case is only appropriate in the following circumstances:

- Project outputs and outcomes are covered by an existing, approved Programme Business Case
- Deliverables and costs are in line with Programme averages (e.g., when measured in cost per unit deliverable)
- The total cost of the project is under £5m

II Project Detail

Ensure Table 1 and 2 are completed in full, including the names of the key stakeholders who have input and been sighted on the submitted business case. Note, a level of input from the Senior Responsible Owner (SRO), WMCA Executive Director, Finance Lead, Procurement Lead and Legal lead is mandatory, and the business case submission will not be accepted until this detail is provided. If the business case has been submitted by a non-WMCA entity i.e., a Local Authority, the stakeholders listed can be non-WMCA employees.

Complete Table 3 to provide a brief financial summary of the project.

Definitions for each line required are:

- Total Project Cost – The sum of the entire project cost (as known), including all funding sources identified. This includes all revenue and capital costs.
- WMCA Funding Requested – The amount of funding being requested from WMCA (i.e., the financial ask of this business case)
- WMCA Funding Source – State the specific funding source of the WMCA Funding being requested (e.g., City Region Sustainable Transport Settlement – CRSTS or Brownfield Housing Fund)
- Funds Secured – The amount of funding that has already been officially secured; this should be demonstrated by confirmation of funding appended to the business case. Where the project has rev expenditure (which should be included into the TOTAL project costs) and the source of revenue is top sliced/already approved for project development costs, include those figures within the funds secured total.
- Funds Unsecured - The amount of funding that has not yet been officially secured, this should include the financial ask of this business case (i.e., the amount in the WMCA Funding Required column.

Example Table 3 for Financial Summary

Finance Summary	Project Case (£)
Total Project Cost:	£1,000,000
WMCA Funding Requested:	£100,000
WMCA Funding Source:	CRSTS
Funds Secured:	£0
Funds Not Secured:	£1,000,000

The purpose of the strategic dimension of the business case is to make the case for change and to demonstrate how it provides strategic fit.

1.1 PROJECT SUMMARY

Please provide a one-page stand-alone summary of the project which includes a description of the project's location and its relation to the programme. Note there is no need to repeat details of the wider programme, but please provide a reference to evidence how this specific project contributes to the programme and WMCA's business strategy and why there is a gap in the market that needs to be filled.

Complete a one-page overview of the project that is a maximum of 500 words.

This summary should include the following at a minimum:

- Project Description – A well-written description makes it possible for the intended audience (e.g., the decision-makers and reviewers) to understand the concept, context, and rationale of the proposed project
- Target Objectives – State the 'big picture' goals that are planned to be achieved (e.g., improving air quality, affordable housing)
- Associated Outputs – State the tangible and direct results of the project (e.g., 250 metres of cycle lane, 100 homes with X sqm of land remediation)
- This section should be where we prove the gap in the market i.e., the risk of doing nothing

1.2 PROJECT SPENDING OBJECTIVES AND ALIGNMENT TO PROGRAMME

Show how this project will contribute to each of the objectives in the Programme Business Case. Objectives and associated outcomes should be based on SMART methodology (Specific, Measurable, Achievable, Realistic and Time-dependent). Targets should be related to these objectives along with the current baseline measure.

Note, all projects need to consider Inclusive Growth and its contribution to Net Zero.

Complete Table 4 provided to set out the spending objectives for the project i.e., the outcomes we are seeking to achieve.

The project's spending objectives should be:

- Aligned with the WMCA Strategic Objectives - there should be at least one objective for both Inclusive Growth and contribution to Net Zero
- SMART – Specific, Measurable, Achievable, Relevant, and Time-constrained – to facilitate evaluation. The setting of clear, concise and meaningful SMART spending objectives is an iterative process and will depend upon the nature and focus of the project.
- Customer-focused and distinguishable from the means of provision, so focus is on what needs to be achieved rather than the potential solution

- Not be so narrowly defined as to preclude important options, nor so broadly defined as to cause unrealistic options to be considered at the options appraisal stage
- Focused on the vital outcomes, since a single or large number of objectives can undermine the clarity and focus of the project.

The project’s spending objectives will typically address one or more of the following five generic drivers for intervention and spend. These are:

- To improve the quality of public services in terms of the delivery of agreed outcomes (effectiveness). For example, by meeting new policy changes and operational targets.
- To improve the delivery of public services in terms of outputs (efficiency). For example, by improving the throughput of services whilst reducing unit costs.
- To reduce the cost of public services in terms of the required inputs (economy). For example, through ‘invest to save’ schemes and spend on innovative technologies.
- To meet statutory, regulatory or organisational requirements and accepted best practice (compliance). For example, new health and safety legislation or building standards.
- To re-procure services to avert service failure (replacement). For example, at the end of a service contract or when an enabling asset is no longer fit for purpose.

Example Table 4 for Project Spending Objectives and Alignment to WMCA Aims:

#	Objective	Baseline (quantitative)	Target	Specific actions to achieve objective	How will the customer be impacted (i.e., outcomes)	Alignment to WMCA aims and objectives
1	Contribute towards reducing un-employment in the city of Birmingham	Current unemployment level in the area is 15.3% as of November 2022	Improvement of 2% in unemployment by 31 December 2023	The delivery of 12 digital bootcamps in Birmingham	Economy – reduction in net public spending	Promote inclusive economic growth in every corner of the region

2.0 Economic Case

The purpose of the economic dimension of the business case is to identify the proposal that delivers best public value to society, including wider social and environmental effects.

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. This should be aligned with the project Risk Register appended to this PC.

Use Table 5 provided to specify the most significant / highest rated risks associated with the achievement of the project's outcomes and the key activity for mitigation and management of said risks.

These risks should be extracted from the more comprehensive risk register appended to the PC, which should follow the standard WMCA Risk Register template and should be developed and used in accordance with the WMCA Risk Management Framework.

Example Table 5 for Key Risks:

#	Risk	Impact (1-5)	Probability (1-5)	RAG Rating	Risk Owner	Mitigation
1	Discovery of Japanese knot weed along the desired metro route	4	2	Medium	S Jones (SRO)	Land surveys to be completed in March 2023

2.2 OPTIONS ANALYSIS AND APPRAISAL

Complete the Options Analysis.

Complete Table 6, showing:

- BCR: the benefit cost ratio.
- Significant quantified but unmonetisable benefits: those benefits which do not have a value in accordance with Green Book principles, but can still be expressed in a numeric form.
- Significant unquantifiable benefits: those benefits which cannot be expressed in a numeric form.
- Risk and optimism bias allowances: show the allowances included in your option costs and/or benefits for risk and optimism bias.
- Meets objectives: indicate whether this option meets the Programme objectives listed earlier.

In economic appraisals, all costs are discounted to a base year. Depending on your sector, government departments may specify a base year (e.g. transport schemes use 2010), else use the current year. Future benefits and costs are discounted (i.e. reduced) by the amount of the social discount rate, which is 3.5% per year for 30 years and then 3.0% thereafter. For example, a cost of £5,000 in 2 years time would have a present value of $5000 / (1.035 \times 1.035) = £4,667$

Further Economic Guidance is provided by DLUCh and can be found [here](#).

Example Table 6 for Options Analysis:

Description	BCR	Quantifiable Benefits	Unquantifiable Benefits	Objectives
Move to new software	1.4	50% increase in capacity	Easier for customers to use	Serve more customers
Create new homes in Perry Bar	2.9	260 new homes	Access to better jobs, improvement in local community	Improve the economy of Perry Barr

2.4 VALUE FOR MONEY (VfM) ASSESSMENT

Complete the table below to provide decision makers with a summative VfM assessment.

Social Benefits and Costs fall to the wider public and are usually tangible benefits (which may be quantified and monetised). Applicable user costs should also be included here, both individual costs and summed across all users of the service. This analysis should be undertaken following Green Book principles and provide a range of values applying to the life of the project.

The Public Sector Costs are the Green Book compliant (without inflation and discounted) costs to the public sector as a whole, including both local and national government.

Drawing on the economic appraisal, justify your decision on which option to take forward.

This decision should not be taken solely on the BCR, but should also consider the unmonetized benefits (both quantified and unquantified). Options which do not meet the Critical Success Factors or score poorly against the spending objectives should have been filtered out at the longlist stage.

Affordability should also be a consideration, with evidence that the preferred way forward is affordable in the short and long term, over both capital and revenue expenditure.

The chosen option should offer the best overall value for money for WMCA, and the explanation here should clearly show why that is the case.

Provide quantified benefits for selected measures, noting the value that has been included in the Social Value and BCR. Note that in a Green Book analysis, GVA/GDP is not included in the BCR calculation but is still a relevant measure to report in the business case.

If your project does not impact on a specific measure, enter a 0.

Example Table 8 for Quantified Benefits:

#	Item	Quantified Benefit	Social Benefit included in BCR
1	GVA	£2m increase in WM GVA over 3 years	N/A

2.4 OUTPUTS AND BENEFITS

List the outputs and benefits gained from the project

Table 9 parallels the objectives table above by showing how the project contributes to each of the outputs and benefits listed in the programme business case.

The table should list the quantified amount of each output and benefit listed in the programme business case, the amount delivered by this project and the percentage that this represents.

Example Table 9 for Outputs and Benefits:

Output/Benefit	Description	Programme Level	Project Level	Project contribution (%)
Output	Cycle lanes	10km	1km	10%
Benefit	Cycle users	5% increase	1% increase	20%

3.0 Commercial Case

The purpose of the commercial dimension of the business case is to demonstrate that the preferred option will result in a viable procurement and a well-structured Deal between the public sector and its service providers.

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 carried out and set out the 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).

This section should include the likely drawdown timetable and security being provided for the grant.

Summarise the procurement arrangements that are in place to ensure the project can be delivered successfully. Make clear any provisions that have been made to ensure VfM is achieved and the implementation timescales which have been agreed for delivery.

Detail the due diligence that's been undertaken during the assessment of current and potential suppliers to provide the organisation confidence that they are willing and can deliver what the output, service or works required. Provide evidence that both procurement and legal teams have provided input into this proposal (including details of any implications e.g., HR or IT).

4.0 Financial Case

The purpose of the financial dimension of the business case is to ensure the project is affordable and is fundable over time. This section should be completed either by or in consultation with Finance and Accounting personnel. All figures need to be unrounded and there should be full alignment with the Financial Summary provided in Table 3.

Some key points to consider when writing this section:

- Nominal costs (including inflation) are not real costs
- This section should provide a cost breakdown for expenditure for which funding is requested from this submission i.e., if you are asking for £100,000 for this SOC, what are the line items that this funds (note, this can be added as written text above the tables)
- Inclusion of contingency and the % of the total ask should be made clear
- Where possible, demonstrate how benchmarking has been used to ensure reasonable cost estimates have been used (cost/unit.)
- Provide commentary to supplement tabular data and highlight assumptions used and sources of uncertainty

4.1 CAPITAL FUNDING 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).

Insert a written summary in this section to verify the overall affordability of the project, the line items to be funded 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.

All secured funding identified below should be verified by a written confirmation attached to this PC with details of any conditions etc. Note that any funding requested via this Project Case is “unsecured” until approval of the business case.

Complete Tables 10 and 11 to provide detail on the overall funding package.

Note, funding can only be deemed secured if written confirmation is available and attached with the PC.

Table 10 should include a target date of a decision of funds should be listed against all unsecured funding e.g., decision due March 2026 and should detail any conditions attached to the secured funds e.g., spend by March 2026.

Some definitions to help with the completion of Tables 10 and 11:

- Gross costs - The total costs, expenses, liabilities, Taxes and other expenditures.
- Revenue costs - Total cost incurred to obtain a sale and the cost of the goods or services sold.

- Capital costs - Fixed, one-time expenses incurred on the purchase of land, buildings, construction, and equipment used in the production of goods or in the rendering of services. In other words, it is the total cost needed to bring a project to a commercially operable status.
- Development funding - Costs that are needed to reach the next business case stage i.e., feasibility studies, design works

You can use revenue funding to fund capital expenditure, but you can't use capital funding for revenue expenditure. Examples of revenue funding include:

- Certain grants
- Revenues generated
- Capital funding:
- Capital Grants
- Capital Receipts

“Local Authorities can only borrow for capital expenditure” (CIPFA Prudential Code)

4.2 CASHFLOW

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

Complete Table 12 to demonstrate the cashflow of the project from its ongoing operational costs and external investment sources.

Please tailor the financial period/s to reflect the timings most suitable for the project or append the full cashflow to this Project Case and summarise within the table to reflect.

5.0 Management Case

The purpose of the management dimension of the business case is to demonstrate that robust arrangements are in place for the delivery, monitoring and evaluation of the scheme, including feedback into the organisation's strategic planning cycle.

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 (inc. reference to WMCA Change Process); Benefits realisation arrangements and plans, including benefits register and Contract management arrangements.

Please provide further information on the following elements of Management and Governance:

- Governance and decision-making arrangements - who is involved in the decision-making process both inside and outside the organisation including the use of governance frameworks such as the Single Assurance Framework. Diagrams may be added.
- Change management arrangements (inc. reference to WMCA Change Process) - detail the process for managing, tracking and approving changes to time, cost, quality and scope.
- Benefits realisation arrangements and plans, including benefits register or Monitoring and Evaluation Plan (MEP) - explain the process in place for identifying and monitoring benefits through to realisation. This should include detail on the maintenance of a benefits register.
- Contract management arrangements - detail the arrangements in place to manage the agreed contracts over the duration. This should include detail on both the service provider's and procuring authority's respective roles and responsibilities in relation to the potential Deal.

5.2 PROJECT SCHEDULE FOR DELIVERY

List the key project milestones and ensure this information is fully aligned to the Project Schedule, which must be appended to this PC. Include a longstop date by which all monies for development of this PC needs to be drawn.

Use Table 13 to set out the key project milestones including (but not limited to) a longstop date by which all monies need to be drawn by.

Note, the detail provides should fully align to the Project Schedule appended to this PC.

5.3 MONITORING AND EVALUATION

Set out a summary of the outline Monitoring Evaluation arrangements for the project and milestones leading to Project Evaluation.

Further steer is set out within the PC guidance document and [Performance Team Intranet page](#). For additional support with completing the M&E template please contact the M&E team: CorporateMonitoringEvaluation@wmca.org.uk

Include detail on the following:

- Do you have the final costs for the budget & resources required for M&E? - (Note, this should align to the financial case).
- Explain how performance will be measured? – including indicator/metrics.
- Have you Identified your monitoring resource needs for when the project moves into delivery? / i.e., who will be responsible for M&E data collection, assessment, and quality control with delivery partners, etc?
Is that capacity available within the organisation? If not, do you have a timeline for recruiting & setting up this resource?
- Do you have an M&E template in place, or will the funder be providing a M&E template for monitoring purposes? If not, please refer to the WMCA M&E template for guidance **Performance team Intranet page**. For additional support with completing the M&E template pls contact the M&E team: **CorporateMonitoringEvaluation@wmca.org.uk**
- Will this project be evaluated?
- What are the main evaluation objectives of this project?
- Do you have an initial set of evaluation questions to help with commissioning evaluation?
- Have you Identified your preferred Evaluation experts? – (for both Process & Impact Evaluation).

6.0 Mandatory Appendices

This section will provide guidance on each of the mandatory appendices required at PC stage.

Please provide each of the mandatory appendices as a separate Word/Excel document – do not embed in the Business Case or provide PDFs.

If any appendices are missing, your business case may be rejected until missing appendices are provided.

6.1 OUTLINE BENEFITS REALISATION PLAN (or MEP)

The benefits realisation plan provides details of how the benefits process will be applied to a project, we appreciate some of the information included may be indicative at this stage.

A project benefit is an outcome of the project that is seen as a positive change by one or more stakeholders. It must, by definition, be achievable and approved by key stakeholders. Project benefits are not deliverables (e.g., a computer system or carpark).

Examples of tangible benefits: increased revenue, productivity gain or process improvement.

Examples of intangible benefits: improved user experience, increased compliance or brand equity.

The benefits realisation strategy should set out arrangements for the identification of potential benefits, their planning, modelling and tracking. It should also include a framework that assigns responsibilities for the actual realisation of those benefits throughout the key phases of the project.

For further information please access government Guidance on benefit measurement here https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/987133/Benefits_Measurement_Guidance_Note_May_2021.pdf

6.2 BENEFITS REGISTER (may be contained within MEP)

Aligned to the Outline Benefits Realisation Plan, the Benefits Register must capture all the target benefits. This register should also indicate how those benefits are to be realised. This is typically an Excel spreadsheet that includes line items of each benefit, a short description, the objective the benefit links/contributes to, the Benefit Owner, the beneficiaries, the baseline, target and measurement methodology.

6.3 RISK REGISTER AND ISSUE LOG

Identifying, mitigating, and managing risks and issues is crucial to the successful delivery of your project, since risks coming to fruition are most likely to result in the project not delivering its intended outcomes and benefits within the anticipated timescales and spend.

A standard WMCA Risk Register template is available here:

<https://intranet.wmca.org.uk/file/5768/download/Risk%2520Register%2520template%2520-%2520Final%2520Version.xlsx>

It includes concise but comprehensive guidance on how to complete the register.

Note that where a previous or existing risk register template is being used, you must ensure the headings within the WMCA Risk Register are included as a minimum standard.

The key requirements of a WMCA risk register are as follows:

Column	Description
Risk ID	Enter Reference Number e.g., Proj X 003, etc
Date Risk Raised	Date risk was first raised to the risk register
Raised by	This is the project owner that raised the risk. This can be any member of the team but would usually be Senior or Assistant Delivery Managers, project co-ordinators, performance managers
Risk Owner	The risk owner is usually the Head of Service, Sponsor or Directors
Category	Select a Risk category from the dropdown list; this should be linked to the cause and should, in most instances, reflect where or how the risk arose.
Risk Title	Enter a brief, easily understood, risk title
Cause	Describe the root cause of the threat to the achievement of WMCA / project objectives, deliverables, etc.
Effect	Describe the possible consequences of the risk materialising. List the main impacts this risk could have, thinking about the effects not just on the department but also on WMCA and any other stakeholders (e.g., Internal and external partners).
Controls and Measures already in place	Enter all the controls or measures the project already has in place, or which have been put in place specifically for this risk. This should include any ongoing activity.
Likelihood	Likelihood reflects the probability of the risk happening, taking into consideration the controls and measures already in place and without any further control activity taking place.
Impact	Reflects the effect the risk might have once existing controls have been considered and assuming no further control activity is undertaken.
Score	The total risk score based on the Impact x Likelihood assessment.
Further Actions required to Mitigate Risk	Where the risk score is higher than desired, enter all further actions required to bring the risk down to achieve its target

Action Owner	Who is responsible for the further action. This could be a project team member.
Action Due Date	When the action is due
Risk Escalation	This cell should only be used to show that a risk has been passed from Project to Programme, to Directorate, or from Directorate to SRR. If there is a need for the risk to be raised with a different body, committee, etc, as a control activity, then that should be captured under "Further actions required...".
Date Risk escalated	Date the escalation took place.

6.4 PROJECT SCHEDULE

A project schedule is a timetable that organises tasks, milestones, and due dates in an ideal sequence so that a project can be completed on time.

A project schedule is created during the planning phase and includes the following:

- Deliverables
- Tasks
- Task start and end dates
- Task dependencies
- Critical Path

Then, during the delivery phase, the schedule baseline is compared against the actual project progress.

6.5 WRITTEN CONFIRMATION/S OF CONFIRMED FUNDING

Attach any official confirmation/s received to confirm funding award, this may include funding award letters.

