

Council



Forest Heath
District Council

Title of Report:	Mildenhall Hub – Business Case for Investing in Renewable Energy Technologies	
Report No:	COU/FH/17/021	
	Council	26 July 2017
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Purpose of report:	To finalise the business case for the Mildenhall Hub in relation to investing in renewable energy technologies should planning consent be granted, following earlier consideration of the principles by Overview & Scrutiny Committee and Cabinet in June 2017	
Recommendation:	It is recommended that: 1) The business case for an investment of up to £2m in renewable energy provision in the Mildenhall Hub be approved; 2) The funding model, with estimated project budget and cash flow, set out in this report and its Appendix 3, be agreed; 3) Further detailed assessment and procurement of the renewable energy provision on the basis of this report; and 4) The Council’s Section 151 Officer make the necessary changes to the Council’s prudential indicators as a result of Recommendation 1.	

<p>Consultation:</p>	<p>The development of the Hub project has been based on public, partner and stakeholder consultation. The scheme is currently the subject of public consultation in respect of its planning application.</p> <p>Councillors have been extensively involved in the decision-making process for the Hub (see background papers below). The Overview and Scrutiny Committee received updates on the main business case in February 2017 and on the business case for renewable energy in June 2017.</p> <p>Cabinet approved the outline business case for renewable energy investment in June 2017.</p>
<p>Alternative option(s):</p>	<p>(Subject to the Hub proceeding) to install conventional mechanical and engineering solutions to heat and power the new building. The business case will offer this option as the 'base case'.</p> <p>An enhancement to the option may allow heat to be exported to the existing Mildenhall College Academy Sixth Form Building. This will be subject to a separate report.</p>
<p>Implications of this report:</p>	
<p>Are there any financial implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Financial implications of investing in renewable energy for the hub project are outlined in report.</p>
<p>Are there any staffing implications? If yes, please give details</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Covered in wider project planning.</p>
<p>Are there any ICT implications? If yes, please give details</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Covered in wider project planning.</p>
<p>Are there any legal and/or policy implications? If yes, please give details</p>	<p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> As outlined in report.</p>
<p>Are there any equality implications? If yes, please give details</p>	<p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Covered in wider project planning.</p>
<p>Risk/opportunity assessment:</p> <p><i>Please note: this is <u>not</u> a risk assessment for the Hub project as a whole, but for the subject matter of this report only i.e. funding of renewable technologies.</i></p>	<p>Specific project risks which have been identified at this stage are set out in Appendix 1. These will be fully assessed as part of the next phase of the Royal Institute of British Architects (RIBA) Stage 4 design.</p>
<p>Ward(s) affected:</p>	<p>All Wards</p>

<p>Background papers: <i>(all background papers are to be published on the website and a link included)</i></p>	<ul style="list-style-type: none"> • Council Report February 2017 - Mildenhall Hub – Funding • Overview & Scrutiny Report January 2017 - Mildenhall Hub – Funding • Mildenhall Hub – Investing in renewable energy technologies
<p>Documents attached:</p>	<p>Appendices: Appendix 1 – Risk Assessment summary Appendix 2: An explanation of the proposed heating and power technologies Appendix 3: Case studies Appendix 4: Indicative Cash Flow Projection Summary</p>

Important Note:

This report relates specifically to the funding of renewable energy provision in the Mildenhall Hub, as an addendum to the existing business case. The project is subject to planning consent and all planning matters, including those relevant to renewable technologies, will be considered separately by the Local Planning Authority and Development Control Committee.

Executive Summary

This report presents the detailed business case for investing in the renewable energy technologies at the proposed Mildenhall Hub. The proposals comprise heating, cooling and power generation along with battery storage.

The proposals are being put forward on the basis that they are expected to deliver a range of benefits for the council and stakeholders in the project including investment return in line with the council's financial objectives, energy cost savings to other partners occupying the Hub, increased resilience of energy supply and business continuity, and lower carbon emissions compared to the conventional heating and cooling.

The proposals are predicted to deliver a rate of return on investment of 11.47% before borrowing costs resulting from operational heating and cooling savings, energy price savings derived from using stored power when it's cheaper than grid-supplied power, and income from the Renewable Heat Incentive (RHI). Compared to conventional heating and cooling, after running costs and costs of borrowing have been taken into account compared to the savings and income generated by the investment, the proposals are predicted to realise a net financial benefit greater than £117,000 annually.

The 'base case' for gas boilers and cooling has already been costed into the main Mildenhall Hub business case budget of £20M. The renewable energy proposals will require an additional capital investment of up to £2M.

The proposals, should they be approved, will be developed to meet the council's strategic and financial objectives and will demonstrate leadership by investing to reduce its environmental impact and showing innovation by the adoption of renewable energy technologies.

1. Purpose of Report

- 1.1 In June 2017, Forest Heath District Council (FHDC) approved an outline for a business case for renewable heat, power and cooling along with energy storage within the design of the proposed Mildenhall Hub (Report No. CAB/FH/17/030 refers).
- 1.2 This report presents the detailed business case for investing in the renewable energy technologies based on further technical and financial evaluation

carried out by our consultants, Concertus. As stated in the previous report, as with the whole Mildenhall Hub project, this work is being carried out at risk by the Council, in its developer capacity, since the planning consent is yet to be determined. However, the evaluations and proposals that have resulted have been used to inform the relevant elements of the planning application.

1.4 This report sets out the rationale and the case for investment against five key themes:

- Strategic
- Economic
- Commercial
- Financial
- Management.

2. Project description and outline of envisaged benefits

2.1 On the basis of studies carried out by technical specialists, initially Ramboll and currently Concertus Design and Property Consultants, preferred technologies for heating, cooling and powering the proposed Mildenhall Hub have been identified and assessed based on their feasibility and viability.

2.2 An outline of the proposed approach to heating, cooling and powering the Mildenhall Hub is set out below:-

- i. Heating and cooling would be provided by a combination of Ground Source Heat Pumps (Heat Pumps), Combined Heat and Power (CHP) plant and gas boilers. Automatic controls would ensure that the building's base heating and cooling come principally from the Heat Pumps and the CHP plant with gas boilers and air conditioning only operating if needed.
- ii. Electrical power would be generated on site using the CHP plant and roof-mounted solar panels. Generation will either be used in the Hub to offset any power which would have been imported from the grid or could be exported to the grid or other connected consumers.
- iii. Solar photovoltaic panels would be installed on the roof to supply power to the building when generating.
- iv. Battery storage would provide several commercial and operational benefits; power generated on-site can be stored and used to offset grid electricity when the latter is more expensive. Battery storage would also provide a buffer in times of supply disruption and resilience of supply to critical infrastructure. Battery storage can also buffer short periods when the grid is experiencing an imbalance between demand and supply. In these cases, the Network System Operator has the responsibility of bringing the system back into balance. It does this by paying for power stations to ramp up or down their supply or customers to change their level of demand in real time through the balancing market. Those with the ability to store power at these times are able to receive income by avoiding using grid power and by providing the Network Operator with capacity to balance the local

network (termed grid support services).

More explanation of the proposed technologies is set out in Appendix 2 with case studies demonstrating the practical application of these technologies shown in Appendix 3.

2.3 The proposals are being put forward on the basis that they are expected to deliver a range of benefits for the council and stakeholders in the project, as appropriate:

- A rate of return on investment of 11.47% before borrowing costs resulting from operational savings, energy price savings derived from using stored power when it's cheaper than grid-supplied power, and income from the Renewable Heat Incentive (RHI) which supports eligible renewable heating technologies and grid support services
- Energy cost savings to other partners occupying the Hub with principal energy users likely to be Abbeycroft Leisure Trust and Academy Transformation Trust, but also benefits to other tenants
- Reduced electricity and gas demand compared to conventional consumption derived from more efficient heating and on-site power generation and use
- Increased resilience of energy supply and business continuity, given the on-site power generation and facility to store power
- Lower carbon emissions compared to the conventional heating and cooling
- Demonstration of leadership by the council by investing to reduce its environmental impact and showing innovation by the adoption of renewable energy technologies.

2.4 Concertus' work to date suggests that, after running costs and costs of borrowing, the net benefit of savings and generated income from the investment will be greater than £117,000 annually. As such, the proposals will be capable of meeting the requirements of the Council's Medium-Term Financial Strategy (MTFS) and also be consistent with the earlier assumption in the main Hub business case that renewable technologies will make a positive financial contribution to the overall Hub financial model.

2.5 As mentioned in the June 2017 report, two further options are being considered which will form part of separate business cases:

- Mildenhall Hub acting as the energy centre supplying heat to the existing Mildenhall College Academy Sixth Form Building (MCA6) is being assessed and a separate business case will be prepared. The options covered by this report will be designed with sufficient flexibility to accommodate enhancement opportunities such as connection to MCA6 either during the procurement and construction phases of the Hub or post-construction. This approach could also provide heat and power to other local developments in the future.
- Supply of gas to the site from anaerobic digestion rather than from the National Grid gas network.

3 Strategic case

3.1 The business case proposals are intended to deliver to a set of key objectives:

- Financial viability - financially viable, taking into account both upfront capital costs and whole life costs
- CO₂ emissions reduction - capable of delivering CO₂ emissions reductions
- Affordability - affordable to the project stakeholders and capable of delivering cheaper fuel prices than the current heat and power systems
- Security of supply - able to retain or improve upon the existing security of supply.

3.2 The proposals are considered to be consistent with the following strategic and organisational objectives:

- a) *West Suffolk Strategic Plan:*
Priority 1 – Increased Opportunities for Economic Growth. Investing in renewable energy technologies provides both a beneficial economic return as well as creating opportunities for stimulating local energy technology supply chain, preferably from local provision, installation or ongoing maintenance.
- Priority 3: Homes and communities.* By incorporating the proposals into the design and operation of the Hub, the council will be demonstrating its leadership that new developments should be fit for the future by being properly supported by infrastructure that helps to enhance local communities.
- b) *The Medium-Term Financial Strategy:* The business case accords to the challenges facing local government finance by investing in more efficient and/or income generating facilities. It also demonstrates that the Council is prepared to act more commercially and take calculated investment risk where sound, objective evidence shows that it is appropriate to do so.
- c) *The Asset Management Plan:* The business case supports the ongoing commitment shown by the council to replace less efficient facilities with more efficient facilities designed to reflect the changing nature of the public estate and benefits gained by developing shared arrangements with other stakeholders.
- d) *Suffolk Growth Strategy and the West Suffolk Six Point Plan for Jobs and Growth:* Through this investment, the council would be continuing its investment in Mildenhall as a key market town in West Suffolk.
- e) *West Suffolk Sustainability Strategy 2013-2018:* The proposals accord with the aims and objectives set out in the Strategy, by making appropriate use of investment and public services to deliver a sustainable future in the locality.

4. Economic Case

4.1 For the proposals to be considered successful, they will be judged against key performance criteria which demonstrates that the council is getting value for money. These will include:

- Return on investment against the projected financial case
- Energy and carbon savings compared to projected values and benchmarks

- Financial value, principally as revenue savings from reduced energy cost, by supplying heat, cooling and power to others occupying the Hub
- Building performance against modelled performance
- Opportunities created to enhance the proposals once they have been delivered.

4.2 The June 2017 report set out how the proposals have been based on a robust, systematic analysis of the potential opportunities and options appraisal carried out by the council's technical consultants, Ramboll, followed up by more detailed design proposals prepared by Concertus Design and Property Consultants.

4.3 The proposals have been modelled financially using key HM Treasury Green Book principles and assumptions, taking account of how the council applies these to investment proposals, and in terms of the principal environmental impact of fossil-fuel derived energy consumption, that being CO₂ emissions. For the purposes of comparison, a base case has been assumed comprising of conventional gas heating and electric cooling and building power consumption using grid-supplied electricity. The resulting financial analysis of the proposals are shown in Appendix 4.

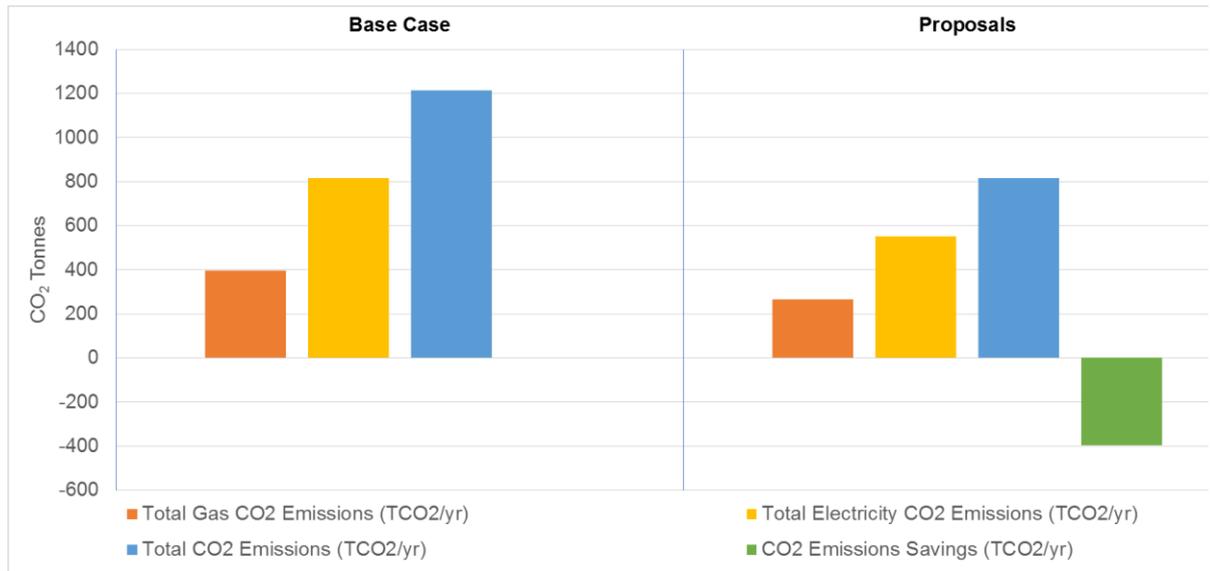
4.4 The capital cost of the base case has already been included in the main cost of the Hub development. After taking account of capital and running costs that would have to be incurred for the base case, the business case shows indicative investment returns in line with the council's MTFs for each of the preferred technologies. For the purposes of testing the robustness of the returns on investment and revenue, 15% contingency to the capital cost estimate has been applied to each technology, an additional 10% has been applied to the operational costs along with 10% reduction of income for battery storage given the innovative nature of the technology.

Option	Additional Capital Expenditure requirement compared to the base case	Annual net cost saving compared to the base case before Borrowing Costs	Indicative Rate of Return on Investment	Payback Period
CHP (5,000 hours) & GSHP (Wells & Bores)	£1,000,000	-£105,200	10.52%	9.5 years
Solar PV power generation	£172,500	-£10,650	6.17%	16.2 years
Battery storage	£795,000	-£109,800	13.81%	7.2 years
Total	£1,967,500	-£225,650	11.47%	8.7 years

The annual cost savings include income arising from the Renewable Heat Incentive and avoiding drawing power when the grid is in imbalance, savings both from reduced importing of grid electricity and the use of stored power at times when it is cheaper than importing from the grid.

4.5 The proposals are projected to deliver wider non-financial benefits. A key benefit is the carbon savings which would be made over the assumed life of each technology. It is predicted that in the region of 400 tonnes of CO₂, or a 32% reduction, could be saved annually compared to the base case. This

saving is equivalent to offsetting CO₂ emissions from powering 265 homes¹.



The improvement in energy efficiency and associated CO₂ reduction of the proposals does not include the additional improvement in energy efficiency that will be achieved when compared to the existing properties that are being replaced

- 4.6 The proposals could create a range of wider employment opportunities. Subject to the final development model, the technologies will be procured following public sector procurement rules based around the most economically advantageous tender principle. Support will be given to allow local installation and maintenance providers the opportunity to bid for the contracts subject to their ability to meet our specifications.
- 4.7 Should the development proceed, it would establish the Mildenhall Hub as a leading technology demonstrator in the Eastern region. The facility could be developed to incorporate both educational experience and training programmes with the aim of nurturing local employment in the energy technology sector.

5 Commercial Case

- 5.1 An initial assessment of the risks of investing in the proposals has been undertaken with the key risks and their impacts identified and are presented previously in this report. Subject to approval of this business case, the project risks will be fully assessed as part of the next phase of the design (RIBA Stage 4).
- 5.2 Based on risk assessment, the council could choose to take a range of procurement and delivery options in mitigation including:

¹ Based on published conversion factors for grid electricity consumption <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2016>

- Public sector procurement
- Franchising the project opportunities
- Selling the rights to develop to a commercial third party.

At this time, the proposed model is for a public sector procurement of the proposals. Further detailed assessment of the procurement options will be undertaken subject to approval of the business case.

5.3 There are range of organisational or governance structures for delivering the project or operating the resulting heat, cooling and power schemes. These include:

- A Private sector led
- A Public-private shared leadership
- A Public Sector led
- A Community Interest Company.

Each structure creates a different set of stakeholder relationships and would expose the council to more or less legal, technical and financial risk, resulting in increased or diminished value in return.

5.4 At this time, no decision has been made although it is the intention that the wider Hub development will be led by the council as the principal investor and given its intention to operate the Hub. It is envisaged that the Council would fund, procure and operate the heating, cooling and power provisions as a main developer/owner/landlord of the Mildenhall Hub. Detailed design work undertaken at RIBA Stage 4 will help to inform the final decision on what would be the most appropriate project delivery and operating model.

5.5 A range of taxes could potentially apply to the different delivery structures and stakeholders engaged in developing the proposals. These include:

- Corporation Tax
- Stamp Duty Land Tax
- Value Added Tax
- Business rates
- Enhanced capital allowances (ECAs).

Much of their financial impact would apply to the wider Hub project. The impact of these on the proposals will be assessed in more detail subject to the business case approval and detailed design.

5.6 Key stakeholders have been identified and their role in the project assessed to ensure that they are both actively engaged and as appropriate involved in any decisions. A stakeholder engagement plan has been drawn up and will continue to be reviewed and updated through each project stage.

5.7 It is a principle of the development that all of the public services in the Hub will benefit from cheaper energy to justify them being part of a hub scheme with shared infrastructure and to assist in sustainable delivery of all public services. In turn, the Council would expect to take a fair rate of return for its investment, to cover its overheads and cost of borrowing on an open-book

basis.

- 5.8 As mentioned previously, the two principal tenants in terms of energy use are likely to be Abbeycroft and ATT, but the Hub will also be occupied by other partners including Suffolk County Council, the police and the National Health Service. At this time, it is understood that none of the above-mentioned organisations intends to take an investment stake in the renewable energy provision at the Hub although all support the concept of buying heat and power from the council on the basis that tariffs would reflect some of the efficiency savings gained through installing the renewable energy technology.
- 5.9 Arrangements will be put in place with those occupying the Hub to agree energy provision based on the individual organisation's stake in the investment, their existing contractual relationship with the council and their anticipated consumption.
- 5.10 Abbeycroft and the councils in West Suffolk are currently negotiating the terms of the future management agreement for leisure provision in the locality. It is the long term plan that Abbeycroft becomes financially independent of the councils. Within the terms of the proposed agreement, the West Suffolk councils continue to support the Trust to make efficiency gains. As a future tenant and consumer of heat and power in the Hub, Abbeycroft can be supported in achieving some of these efficiency improvements through provision of attractively priced heat and power linked initially to reduction in the management fee. In the longer term, the financial arrangement could be through a heat and power purchase agreement.
- 5.11 Similarly, some of the financial return could be shared with ATT through a heat and power purchase agreement. The terms of the purchase agreement could be included with a general tenancy agreement or kept separate. This approach could also be used should the council agree to supply heat via a district heating network to the existing MCA6 building.
- 5.12 Other tenants are more likely to pay for the services that they receive from the council as landlord within the management component of their rent under a more general tenancy agreement.
- 5.13 Subject to approval of the business case, it is proposed therefore that discussions are held with the principal prospective tenants to establish heads of terms for heat and power purchase.

6. Financial case

- 6.1 The projected capital cost of the preferred options is set out below, which include a 15% contingency.

Technology	Capital costs
Base case – gas boilers and chillers	£1,085,000 (included in main Hub business case)
CHP (5,000 hours) & GSHP (Wells & Bores)	£1,000,000
Solar PV power generation	£172,500

Battery storage	£795,000
Total with 10% contingency	£3,052,000

6.2 The financial investment and savings compared to the base case relate to the Hub scheme as a whole, not just the FHDC facilities. The 'base case' capital cost for gas boilers and cooling has already been costed into the main Mildenhall Hub business case and the Council's budget of £20M for its own elements.

6.3 A summary of the indicative cash flow projections is set out in Appendix 4.

6.4 Further work on renewable technologies is being undertaken at risk as part of the RIBA Stage 4 design stage for the Hub along with the option to connect to MCA6. Detailed technical and financial modelling will be undertaken at this point in the project's development and ahead of any procurement process.

6.5 The options for financing the proposals include:

- Funding from capital reserves/any underspend on the main Hub budget estimate
- Prudential borrowing
- Third party commercial finance
- Grant aid.

6.6 At this time, no interest free grant aid has been secured to finance the proposals although other public authorities may be prepared to invest alongside the Council if the Council so chose. It is proposed, therefore, that the Council approves the whole capital sum for the business case, to be funded on the basis that prudential borrowing is used.

6.7 The table below includes the full cost of prudential borrowing, however actual borrowing would only take place when the council's treasury management activities identify such a need. For example, this could be when the council's cash flow management activities anticipate that an external cash injection is required to maintain the appropriate level of cash balances for the council to operate and fulfil its budget and service delivery requirements.

Borrowing Costs	£
Interest @ 3.00% (40 year PWLB rate)	59,000
Minimum Revenue Provision (over 40 years - 2.50%)	49,200
Total Borrowing Costs	108,200
Total Revenue Savings	225,650
Net Financial Benefit	117,450

6.8 It is still envisaged that any net financial benefit generated after the cost of borrowing and running costs by the Council could contribute towards the overall cost of delivering the Hub project (an assumption of £60,000 net benefit was made in the main business case).

6.9 Given that the financial modelling shows that the council should be able to

repay costs incurred through prudential borrowing and make the additional return to meet MTFS investment principles, the proposals are considered to be both affordable and fundable, and do not alter the overall Hub business case which assumed a positive contribution from renewable energy to assist in meeting the wider cost of borrowing.

- 6.10 Should the investigation of extending heating and cooling to the Mildenhall College Academy Sixth Form Building demonstrate a viable case, then dependent on the investment return that could be achieved the Council could seek central government grant from the Heat Network Investment Programme (HNIP). HNIP was set up at the end of 2016 to create the right conditions for a self-sustaining heat network market to develop. The project is funded by the Department for Business, Energy and Industrial Strategy (BEIS) and aims to provide capital support to help deliver heat networks in the UK and carbon savings. The amount of capital support available to individual schemes is subject to an application process and is likely to be capped at the minimum amount required to make a project economically viable.
- 6.11 Alternative funding, delivery and operational management models are available and already in place within the Abbeycroft Leisure Centres in Bury St Edmunds, Haverhill and Newmarket whereby a commercial operator funds and operates the energy-related plant, in the case of Abbeycroft the Combined Heat and Power (CHP) plant. With respect to the CHP technology, the company buys from Abbeycroft the input gas required to generate heat and power which is then sold on to the Leisure Centre. The CHP operator uses the cost differential between gas purchase and heat sale to commercialise the operation under a contract typically of 15-20 years duration. This means that Abbeycroft avoids the capital funding requirement but takes a lower return; it also lays off the risk for operating and maintaining the capital asset.
- 6.12 The approach set out above can be adopted by a developer where it wishes to reduce its risk exposure. The impact of taking such a position would be to reduce that the investment return significantly. This would have a significant negative impact on the Council's flexibility to share any value with the partners and tenants occupying the Hub.
- 6.13 It is proposed, therefore, that at this stage the Council allocates the full capital requirement based on the assumption that it will either manage each technology directly or through procured operation and maintenance arrangements depending on the complexity of the technology. This would allow further research of the options for managing each technology option as part of RIBA stage 4 detailed design of the Hub.

7. Management Case

- 7.1 Should the business case be approved, the next project stages through detailed design and procurement to construction and operation will be taken forward as part of the wider Hub programme governance. This will help to maintain appropriate levels of scrutiny as the renewable energy proposals proceed and ensure both the identification and management of any inter-dependencies between different parts of the Hub project.

- 7.2 Each project stage will be subject to gateway reviews to ensure that the scheme as it develops is in line with the key objectives and is on target to meet what was originally intended. The economic and financial business case already includes a 15% capital contingency, a 10% uplift on operational cost and corresponding 10% reduction in projected income to test the sensitivity of the financial returns.
- 7.3 As the project moves through detailed design, capital and operating costs and revenues will be refined and tested for robustness to ensure that they are based on valid assumptions with fall back positions established should they be needed. For example, there is flexibility both with regards to the solar pv and battery storage technologies which could be varied in size depending on the outcome of the detailed design of the Hub, price through the procurement process and the investment return that could be achieved, or a change in the council's capital allocation.
- 7.4 As previously mentioned, the council intends to own and operate the renewable energy technologies although other governance structures could be adopted should they be appropriate as the project proceeds. Key stakeholders have already been identified with Abbeycroft and ATT likely to be the largest heat and power customers of the council under the current proposals, but the other hub tenants also having a requirement for best value. A stakeholder engagement plan will continue to be maintained to ensure that effective management of these relationships through the next project stages.
- 7.5 Resources will be allocated to manage the next project stages as part of the wider Hub programme. Members have already approved progression to the detailed design stage (RIBA Stage 4). Should the business case be approved, it is proposed to allocate a £20,000 provision to support the development of the proposals as part of the wider Hub project programme. In addition to the technical design work which has already been budgeted for, specialist knowledge to assess the commercial and legal aspects of governance structures and energy contracting will be needed. This additional development cost has been included in the financial model in Appendix 4.
- 7.5 At this time, the proposals set out in this business case will be subject to a procurement process as part of the wider hub development. Should this approach be adopted, further work will be necessary following the outcome of detailed project design in order to draw up the specifications both for installation and subsequent operation and maintenance of the heating, cooling and power provision.
- 7.6 Key risks to achieving the successful delivery of the proposals have been set out in Appendix 1. Subject to approval of the business case, these will be continue to be regularly reviewed and mitigation action taken as the project proceeds, and also incorporated within the wider governance of the main Hub project. If the scope or level of risk to the project changes during the detailed design stage (RIBA Stage 4) such that the proposed capital investment is likely to either exceed the value recommended or the predicted return is unlikely to meet the council's MTFS objectives, a revised business case will be brought forward for member approval.

