

2. Due to the current prevailing increase in capital costs it is proposed that if the scheme cost increases beyond the original Business Case approval level due to inflation / market rates only, an addendum can be done and approved through normal delegated limits (once agreed as per above). This is a change from the rule where any cost above 10% require a revised business case. This however does not apply where there has been a change in scope of the project where re-approval of the business case is required where the cost increase (as a result if change in scope) is greater than 10%.

The table below provides a summary of the proposal:

Basis of Increase	BC Value	Cost change	Current	Proposal
Cost / inflation	>£500k (current TB threshold £250k)	<10%	Addendum - not presented at TB	Addendum - Noting at TB
		>10%	BC presented at TB	Addendum - Noting at TB
Scope	>£500k (current TB threshold £250k)	<10%	Addendum - not presented at TB	Addendum - Noting at TB
		>10%	BC - presented at TB	BC -presented at TB
Cost / inflation	<£500k (current TB threshold £250k)	<10%	Addendum req'd above £250k - not presented at TB	Addendum
		>10%	Business Case req'd above £250k - presented at TB	Addendum
Scope	<£500k (current TB threshold £250k)	<10%	Addendum req'd above £250k - not presented at TB	Addendum
		>10%	Business Case req'd above £250k - presented at TB	Business Case

To note: Where the cost of a scheme crosses thresholds (for example, where a business case previously approved at £480k is now in excess of £500k) and the business case requires to be updated to reflect this cost increase (either inflation and / or scope), the above rules apply.