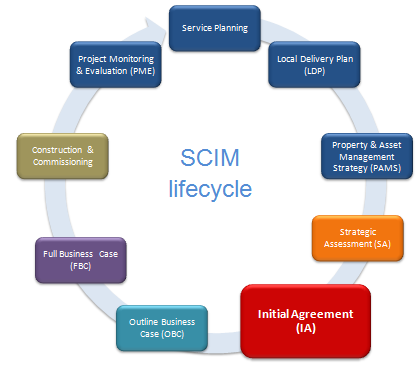
SCOTTISH CAPITAL

INVESTMENT MANUAL

Initial Agreement



# Overview

## Purpose

The main purpose of the Initial agreement (IA) is to confirm the need for investment and to demonstrate that the proposal is a good thing to do. It will do this by responding, as appropriate, to the following questions:

## Service Planning expectations

Many capital investment projects are associated with changes in the model of service care delivery, hence in such situations it is expected that any service planning necessary to support such changes has already been carried out, and that NHS Boards have sought and followed the advice from the Scottish Health Council on the level of public and stakeholder engagement expected both prior to and beyond this stage. Where this has not taken place, or there is uncertainty over the validity of any engagement exercises carried out so far, the Scottish Health Council and/or the Board’s performance management representative from Scottish Government should be consulted on these requirements prior to further development of the Initial Agreement.

## Guidance on drafting the Initial Agreement

The effort required in preparing the Initial Agreement should be proportionate to the size and complexity of the project. A common sense approach is thus expected on the level of detailed to be provided and advice can be gained from Scottish Government where there may be uncertainty over this matter.

Also, within this guidance there are several examples and tables provided to indicate an expected response; these are intended as drafting aids to summarise a response, which in most cases will require a more detail narrative explanation to support any conclusions contained within such tables.

It is further advised that, as part of the preparation of the Initial Agreement document, each of the proceeding headings in this guidance is used to form a template from which a comprehensive Initial Agreement can be prepared.

# What is the proposal about?

Prepare Executive Summary of responses to the main IA questions.

What is the proposal about?

**Executive Summary**

**Response**

**Question**

The intention of this section is to provide a short executive statement against each of the questions raised in Section 1: Purpose. It will provide an Executive Summary of the proposal which can thus only be completed once all other parts of the Initial Agreement have been completed. It should confirm the need for investment, demonstrate that it is a good thing to do, and identify the strategic / service solutions to be taken forward to OBC stage.

# What are the Current Arrangements?

**Strategic Case**

**Response**

**Question**

What are the current arrangements?

Outline current:

* Service details
* Service arrangements
* Service providers
* Associated buildings & assets

The intention of this section is to provide details of the current arrangements which will help set out the basis of the ‘Do Nothing’ option. Illustrative diagrams, maps, photographs, etc., are all useful and recommended aids for illustrating these current arrangements.

This section should cover the following information, as relevant:

* A description of the existing service / activity provision including information, where relevant, on:
  + The services or activities affected by this proposal.
  + The location of these services / activities (including GIS mapping information or departmental relationship diagrams, as appropriate).
  + The location of service users and associated catchment areas.
  + The functional size of the service or activity e.g. numbers of theatres, beds etc.
* Information on existing service arrangements, including quantifiable information where relevant, on:
  + Care pathways, patterns of working, service models, etc.
  + Existing service capacity and current utilisation of this capacity.
  + Service performance data, with reference to national or local key performance indicators.
  + Existing service demand and/or supply throughput.
* A description of each service provider / organisation affected by this proposal and/or any particular workforce arrangements (and potential implications from this proposal).
* A description of the condition and performance (as identified in the Board’s PAMS) of existing assets affected by this proposal; covering issues such as condition, safety, backlog maintenance, functional suitability, space utilisation, etc. Each appropriate asset type will need to be addressed i.e. existing properties, IM&T infrastructure, key medical equipment, and fleet & transport arrangements.   
  Property assets will also be expected to use a multi-stakeholder AEDET review of existing facilities to describe their limitations.

Confirmation is also needed (with supporting evidence) that the current services are still needed, that they still need to be provided in this way, and as to whether things might get worse if nothing is done about these arrangements.

This information will also set the baseline data for the Benefits Realisation plan.

# Why is this proposal a good thing to do?

**Strategic Context**

**Response**

**Question**

Why is this proposal a good thing to do?

Outline:

* Need for change
* Investment objectives
* Benefits register
* Risk management strategy

The main intention of this section is to identify the need for change and then demonstrate that the benefits to be gained from addressing this need are sufficiently worthwhile to proceed.

The Strategic Assessment will have already made statements on the need for change and some of the benefits to be gained from this proposal; therefore, this section needs to focus on providing the evidence base behind those statements whilst also identifying all further expected benefits associated with this proposal. It will thus follow a similar question set as the Strategic Assessment, i.e.:

* What is the need for change?
* What is the organisation seeking to achieve?
* What are the benefits & risks to success?

## What is the need for change?

There are various reasons why a need for change can be driving forward an investment proposal; including presenting an opportunity to improve outcomes when compared to existing arrangements, overcoming a problem with the current arrangements, and responding to any other driver for change.

Public and service user feedback / views of the service should also be considered as part of identifying the need for change including, where relevant:

* Collected information of their opinion on the existing arrangements, and expectations of what they would like to see changed.
* Any safety related matters which they may have concerns over.
* Their preferred access arrangements for the service.

A full description (including demonstrable evidence) of the main things causing the need for change, or likely to do so in the future (e.g. population / age profile changes, etc.) is to be provided here. It should also describe the effect it is having (or likely to have) if nothing is done about it, and an explanation of why action needs to be taken now and through this proposal.

### What opportunities for improvement are there?

There may be aspects of the current arrangements that present an opportunity to improve on the existing situation. Examples of this type of need for change, which will need to be supported with demonstrable information, might include:

* There may be an opportunity to enhance either the quality of service or asset provision by doing things differently to current arrangements.
* Better and more joined up use of IT, technology, and information sharing may present an opportunity for improvement.
* Invest to save initiatives can present opportunities for efficiency and/or quality savings.
* Taking a place based approach which considers how all public services and assets in a locality might contribute to better outcomes

### What are the problems with the current arrangements?

Problems with the current arrangements may form a significant part of the need for change. Typical examples, which would need to be supported with demonstrable information, may include:

* Existing capacity is unable to cope with current or future projected demand for the same services.
* Existing service arrangements are inefficient, or result in poor service access issues.
* Poor service performance (demonstrated through performance benchmarking and performance KPI’s etc).
* Service standards do not meet user expectations or requirements.
* Accommodation is functionally inadequate for modern service delivery.
* Unsatisfactorily levels of physical condition and/or backlog maintenance of property assets.

### What other drivers for change are there?

The response to this question shall summarise any other factors which may be influencing this proposal and driving the need for change, such as:

* The impact of national strategies such as NHSScotland’s Quality Strategy, the 2020 Vision for Health and Social Care, the National Clinical Strategy for Scotland, and/or any other national strategy driving the need for change.
* The impact of a NHS Board’s clinical or service strategies on the need for change and investment.
* The impact of a NHS Board’s operational strategies; such as its strategic vision, corporate plan, LDP, PAMS, eHealth strategy, etc.
* Any further policy, economic, or legislative changes.
* Demand for a new requirement.
* Social / demographic changes to the population.
* Joint locality strategies with other public sector organisations.

The above examples should only be referenced if they have a key influence on this proposal and can be supported with evidence of the impact, benefits and/or opportunities it is likely to offer.

Referencing of policy, strategy or other publicly available documents only needs a short description of a sentence or two to describe its impact; with a hyper-link provided to the relevant section of these strategies for further information.

### Summarising the Need for Change

The preceding sections will have provided the detailed narrative in support of the demonstrable cause and effect of the need for change and investment. It may be helpful to then summarise this information in a table format; an example of which is provided below:

|  |  |  |
| --- | --- | --- |
| **What is the cause of the need for change?** | **What effect is it having, or likely to have, on the organisation?** | **Why action now:** |
| *Future service demand* | *Existing capacity is unable to cope with future projections of demand* | *Service sustainability will be at risk if this proposal isn’t implemented now* |
| *Dispersed service locations* | *Existing service arrangements affect service access and travel arrangements* | *Service access is currently inequitable for this locality when compared with other catchment areas* |
| *Ineffective service arrangements* | *Inefficient service performance* | *Continuation of the existing service performance is unsustainable* |
| *Service arrangements not person centred* | *Service is not meeting current or future user requirements* | *A service that isn’t meeting user requirements is unsustainable, even in the short term* |
| *Accommodation with high levels of unsatisfactory physical condition / backlog maintenance.* | *Increased safety risk from outstanding maintenance and inefficient service performance* | *Building condition, performance and associated risks will continue to deteriorate if action isn’t taken now* |

Note: the words in italics in the above table are examples only of what might be presented.

## What is the organisation seeking to achieve?

Once the need for change has been identified, then the next step is to identify what can be achieved to address this need, or needs. At this stage it is not aimed at identifying the potential solution but more identifying what needs to be achieved to deliver the necessary change i.e. the investment objectives.

### Investment Objectives

A useful technique for developing a proposal’s investment objectives is to identify what has to be achieved to deliver the necessary change for the organisation. The following table provides a summary example of how this can be developed:

|  |  |
| --- | --- |
| **Effect of the need for change on the organisation:** | **What has to be achieved to**  **deliver the necessary change?**  **(Investment Objectives)** |
| *Existing capacity is unable to cope with future projections of demand* | *Improve service capacity* |
| *Existing service arrangements affect service access and travel arrangements* | *Improve service access* |
| *Inefficient service performance* | *Improve service performance* |
| *Service is not meeting current or future user requirements* | *Meet user requirements for service* |
| *Increased safety risk from outstanding maintenance and inefficient service performance* | *Improve safety and effectiveness of supporting accommodation* |

Each of the identified investment objectives needs to be further described in full to explain how this is likely to be achieved and this begins to envisage what the future state might look like. It is therefore important that these investment objectives are necessary and specific.

Also, whilst there is no restriction on the number of investment objectives, five or less is recommended to make further analysis manageable and focussed on the vital ones.

## What are the benefits and risks to success?

A successful outcome for a project will be to deliver each of its objectives to demonstrably realise the desired benefits. In order to achieve this, all benefits, priorities, risks, and other issues need to be identified early in the proposal’s development so that they can be better managed, monitored and evaluated throughout its delivery.

### What benefits are to be gained from this proposal?

The rationale for an investment should also be reflected in the potential benefits to be gained from that investment. This provides both the evidence base that a proposal is worthwhile and that it presents value for money. They need to be comprehensive to avoid under-statement of the proposal’s impact, whilst being mutually exclusive to avoid double-counting that impact.

A Benefits Register is therefore needed to record all the main benefits that are expected to flow from addressing the need for change. It is expected to cover the following types of benefits:

* Those which meet public expectations for the service.
* All benefits associated with addressing the need for change.
* Indicators which help to demonstrate the national, regional and local importance of this proposal.
* Wider social, environmental and economic benefits.
* Expected reduction in backlog maintenance for property based investment proposals.
* Those which support national outcomes.

A separate SCIM guidance document on Benefits Realisation is available and should be referenced to develop a suitable and proportionate Benefits Register for a proposal at Initial Agreement stage (note, a full Benefits Realisation Plan is required at OBC stage).

### *What risks could undermine the proposal’s success?*

The emphasis at this stage is to identify the top 20% of risk events which could account for 80% of the total potential risk to the proposal’s success.

Risks result from uncertain events that either improve or undermine the realisation of benefits. The main risks that might create, enhance, prevent, degrade, accelerate or delay the achievement of the investment objectives should be identified and analysed in the proposal’s risk register.

A separate SCIM guidance document on Risk Management is available and should be referenced to develop a suitable and proportionate Risk Register for a proposal at Initial Agreement stage, which includes a series of typical risks that might be relevant to a proposal at Initial Agreement stage.

### Are there any constraints or dependencies?

Constraints are limitations on the investment proposal, which can include constraints on available resources. Dependencies are where actions from others are needed to ensure the success of the proposal. A common dependency, when relevant, is the need to acquire land as part of a solution; in this instance, an outline of the process to be followed will be required.

Where the proposal is part of a larger programme then the inter-dependencies of activities should also be outlined.

All constraints and dependencies need to be recorded here and subjected to careful monitoring throughout the proposal’s development.

# What is the preferred strategic / service solution?

**Response**

**Question**

What is the preferred strategic / service solution?

**Economic Case**

Confirm:

* The Do Nothing option
* Service change proposals
* Indicative costs
* Assessment of proposed solutions
* Preferred strategic / service solution(s)
* Design Quality objectives

The purpose of the Economic Case at Initial Agreement stage is to identify the preferred strategic or service solutions(s) which are suitable for further assessment at Outline Business Case stage. It will do this by comparing a range of proposed solutions to identify which one(s) best meet the requisite investment objectives.

## The Do Nothing / Minimum option

An assessment of the Do Nothing option will have already been carried out when describing the current arrangements related to this proposal. A summary description of this Do Nothing solution should be presented in the following table:

|  |  |
| --- | --- |
| **Strategic Scope of Option:** | **Do Nothing** |
| Service provision: |  |
| Service arrangements: |  |
| Service provider and workforce arrangements: |  |
| Supporting assets: |  |
| Public & service user expectations: |  |

In some cases of significant change or service delivery failure some restorative action may need to be assumed to be taken against the Do Nothing solution, which will thus create a ‘Do Minimum’ solution. Details of any ‘Do Minimum’ solution will need to be fully explained, including whether or not this is to replace the Do Nothing solution, and why.

## Service change proposals

As mentioned at the beginning of this guidance, it is expected that for any service change proposal NHS Boards will have already sought and followed the advice from the Scottish Health Council on the level of public and stakeholder engagement expected in identifying appropriate solutions.

Where this has been appropriately carried out then this section can be used to merely summarise what has already taken place and to outline the outcome of such engagement. Any process already followed is expected to be similar to the proceeding sections of this guidance.

In such cases, this section will be used to outline the following:

* A list of identified stakeholders, a summary of their engagement, and an indication of their support for any proposals; similar to the format outlined in Section 5.3.
* A brief description of the process followed.
* An outline of the decision making process followed, with a link provided to a more detailed report on the process.
* Details of the proposed solution, which shall be described using the table in Section 5.1 alongside the Do Nothing solution.
* An indication of costs, compared with the Do Nothing option, in the format outlined in Section 5.5.
* The development of Design Quality Objectives, in the format outlined in Section 5.7.

In all other circumstances, each of the following sections will need to be followed. It is also important that the scope of the service change and preferred solution(s) is set out as fully as possible at this stage.

## Engagement with Stakeholders

This section will summarise (from work already undertaken) the range of stakeholders affected by this proposal, provide details of what engagement has taken place, outline any concerns they have expressed, and confirm the level of support for the proposal. The following table is an example of how this information might be summarised:

|  |  |  |
| --- | --- | --- |
| **Stakeholder Group:** | **Engagement that has taken place** | **Confirmed support for the proposal** |
| Patients / service users | *Patients and service users affected by this proposal include [list]. Their involvement in its development includes [list]. The impact that this has had on the proposal’s development includes [outline].* | *Patient / service user groups were consulted on the final version of this Initial Agreement by [method], on [date]. Their feedback was [outline] which has been incorporated into this proposal by [outline any direct changes].* |
| General public | *The general public will be affected by this proposal by [outline]. This has thus required / not required a range of public consultation events, including [list where relevant]* | *Outcomes from the public consultation events have influenced this proposal by [outline]. This is demonstrated in the proposal by [outline]. The level of support from the general public for this proposal is [describe details of support and any objections].* |
| Staff / Resources | *Staff affected by this proposal include [list]. Their involvement in its development includes [list]. Other resources affected by this proposal includes [list any], and the impact it is likely to have on them is [outline].* | *Staff representatives were consulted on the final version of this Initial Agreement by [method], on [date]. Their feedback was [outline] which has been incorporated into this proposal by [outline any direct changes].* |
| Other key stakeholders and partners | *Other key stakeholders identified for this proposal includes [list]. Their involvement in the development of this proposal includes [outline].* | *Confirmed support for this proposal has been gained through [how].* |

Note: the words in italics in the above table are indicative of expected responses; however, details may be changed to suit the specific circumstances of the proposal being developed.

## Developing a long list of proposed solutions

A range of solutions will need to be considered which test and challenge assumptions on a proposal’s scope and content. Each solution should present a real step change in the presumed scope by considering the following questions when coming up with a long list of possibilities:

* Can changes to the assumed functional size of service / activity provide different outcomes and/or benefits?
* Could changes to the presumed service activity, catchment area, or assumed demand, affect the proposed solution?
* Would changes to the scope of assumed outcomes change the proposed solution; ranging between delivering do minimum outcomes, essential future outcomes, and desirable or aspirational outcomes?
* Would changes to the arrangement and/or strategic location of services change the way in which services are provided?
* Could the service / activity be delivered differently whilst still meeting the investment objectives?
* Can alternative solutions be developed which deliver longer term sustainable benefits in health, social, community and environmental terms?
* Could a collaborative one public sector approach contribute to the solution with shared benefits?

Those possibilities which are unrealistic or unachievable should then be discounted. For example, solutions should not be taken forward which:

* Will not deliver the proposal’s investment objectives.
* Do not fit with NHSScotland’s strategic investment priorities or policy agenda.
* Do not fit with the Board’s own strategic objectives and plans.
* Would be undeliverable by service providers.
* Are clearly unlikely to be affordable.

Each proposed solution will be described in its fullest using the following criteria:

* A description of the proposed service / activity provision including information, where relevant, on:
  + The services or activities to be delivered by this solution.
  + The proposed location of the services / activities, including GIS mapping information or departmental relationship diagrams, as appropriate. This should make clear any changes from existing arrangements.
  + Any changes to the expected location of service users and associated catchment areas.
  + The proposed functional size of the service or activity e.g. numbers of theatres, beds etc.
* Quantifiable information on the proposed service arrangements, including information, where relevant, on:
  + Care pathways, patterns of working, service models, etc.
  + Improved service performance measured through supporting KPI’s.
  + Proposed service capacity and planned utilisation.
  + Proposed or expected service demand and/or supply throughput. Sensitivity testing of any assumptions may be required to demonstrate the robustness of the proposed solution.
* A description of any changes to, or impact on, service providers affected by the proposal and/or any particular workforce arrangements.
* A description of expected improvements to the condition and performance of existing assets affected by the solution; including, as appropriate, properties, IM&T infrastructure, key medical equipment, and fleet & transport arrangements.
* Information on any expected changes to public and service user expectations from the proposal.

The level of detail provided should be proportionate to the relative merits of the proposal being described. Also, where particular elements within a proposed solution are similar or identical to current arrangements, or to other proposed solutions, then this should be made clear without the need to provide repeating detail across different solutions. For example, for solutions with the same service provide as ‘Current Arrangements’ then ‘as Current Arrangements’ is all that is needed as long as this has already been fully described.

Once the details of each proposed solution has been fully described; which may include the use of maps, diagrams, photographs, etc. as helpful descriptive aids, then the following table can be used to summarise each of them:

|  |  |  |  |
| --- | --- | --- | --- |
| **Strategic Scope of Option:** | **Proposed Solution 1** | **Proposed Solution 2** | **Proposed Solution 3** |
| Service provision: |  |  |  |
| Service arrangements: |  |  |  |
| Service provider and workforce arrangements: |  |  |  |
| Supporting assets: |  |  |  |
| Public & service user expectations: |  |  |  |

## Indicative costs

Indicative costs for each of the proposed solutions shall be prepared and added to the table below. They will be used to identify whether each proposal is likely to present value for money and its potential affordability.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Costs in £millions** | **Do Nothing:**  **As existing arrangements** | **Proposed**  **Solution 1** | **Proposed**  **Solution 2** | **Propsoed**  **Solution 3** |
| Capital cost (or equivalent value) |  |  |  |  |
| Whole of life capital costs |  |  |  |  |
| Whole of life operating costs |  |  |  |  |
| Estimated Net Present Value of Costs |  |  |  |  |

The breakdown of the whole of life capital and revenue based operating costs should, where relevant, cover the similar cost categories used in the Generic Economic Model, and as described in the Option Appraisal Guide i.e.:

* Property & opportunity costs.
* Capital & lifecycle costs.
* Clinical services costs.
* Non-clinical operating costs.
* Building running costs.
* Net contribution / costs.
* Transitional costs.
* Externalities

At this stage indicative costs can be formed from unit rates for similar projects, and/or realistic lump sum costs for individual items of specific costs relevant to a particular solution (note that Scottish Futures Trust hosts a Community Infrastructure Benchmark Database which may be a useful source of relevant construction cost information).

Details of the assumptions made in determining these costs need to be described. This will include details of the level of optimism bias incorporated into the costs (see Risk Management guide for further details), along with an explanation of how this has been calculated.

Also, due to the strategic nature of these proposed solutions, indicative costs can be expressed as a range of costs; potentially differing in the level of optimism bias (or other factors) included within them.

## Initial assessment of proposed solutions

Each proposed solution must be assessed for its advantages and disadvantages to determine the preferred solution(s). This will review the advantages of each solution by describing its strengths and opportunities, and its disadvantages by describing its weaknesses and associated threats. This is then used to determine whether the solution fully, partially, or does not (no) meet the project’s investment objectives.

A detailed narrative is required to fully explain the advantages and disadvantages of each solution before they can be summarised in an assessment template. A typical format for such a template is outlined in the table over the page, which concludes by expressing whether each solution is preferred, possible, or rejected.

The base case of the ‘Do Nothing’ (or Do Minimum) option must be included in this assessment as it provides a benchmark for determining the relative value of the other proposed solutions under consideration.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Do Nothing:**  **As existing arrangements** | **Proposed**  **Solution 1** | **Proposed**  **Solution 2** | **Proposed**  **Solution 3** |
| **Advantages**  **(Strengths & Opportunities)** |  |  |  |  |
| **Disadvantages**  **(Weaknesses & Threats)** |  |  |  |  |
|  | **Does it meet the Investment Objectives (Fully, Partially, No, n/a):** | | | |
| Investment Objective 1 |  |  |  |  |
| Investment Objective 2 |  |  |  |  |
| Investment Objective 3 |  |  |  |  |
| Investment Objective 4 |  |  |  |  |
| Investment Objective 5 |  |  |  |  |
|  | **Are the indicative costs likely to be affordable? (Yes, maybe / unknown, no)** | | | |
| Affordability |  |  |  |  |
| **Preferred / Possible / Rejected** |  |  |  |  |

On the basis of the above, and in consideration of the indicative costs, the preferred strategic / service solution(s) should be declared, along with an explanation of the reasons why. The anticipated outcome is that a single solution is identified; however, where more than one solution meets all of the Investment Objectives and/or there is little to choose between solutions then each one should be declared as preferred.

Each preferred strategic / service solution shall then be taken forward to Outline Business Case stage where the implementation of the solution(s) shall be further developed and tested for value for money.

## Design Quality Objectives

For all preferred strategic / service solutions which are likely to need a designed physical solution, separate design objectives shall be developed by taking the following steps:

1. Use the AEDET review of existing property arrangements to set a benchmark score from which change is needed.
2. Carry out a multi-stakeholder AEDET review to identify the main features a new proposal will need to focus on and to set a target score from which design expectations can be measured
3. Develop design objectives that explain what the design needs to achieve to overcome or improve on the existing arrangements.
4. Develop the NDAP design statement.

A summary table from the AEDET process should be provided to demonstrate how the target for improvement has been set against the existing arrangements.

Further guidance information on the NDAP and AEDET requirements during the business case stages is available and should therefore be referenced to understand the full expectations at this stage.

# Is the organisation ready to proceed with the proposal?

**Response**

**Question**

**Commercial, Financial & Management Cases**

Is the organisation ready to proceed with the proposal?

Confirm:

* Procurement strategy & timetable
* Affordability & financial consequences
* Governance & project management arrangements

## The Commercial Case

This section will provide a statement of the proposed procurement route likely for the preferred solution(s), along with a timetable covering the key business case stages, design development milestones, main procurement steps and likely implementation period.

## The Financial Case

This section will provide the following information, to be further developed during the Outline Business Case stage:

* A statement of the organisation’s financial situation in relation to the proposal, including confirmation of its affordability.
* Identification of resources proposed for the project, including their suitability and availability.
* Any capital or revenue constraints on the project.
* Description of any financial contributions to be made by external partners, and the current status of that commitment.

## The Management Case

A benefits register and initial risk register will have already been prepared as part of this Initial Agreement therefore the further information that needs to be provided at this stage includes:

* An organisational diagram demonstrating appropriate governance arrangements in place to take forward the proposed solution(s).
* A summary of how those identified within such a diagram have been involved in the development of the proposed solution(s), along with an indication of their confirmed support for this outcome (the following section provides further advice on expectations).
* Information on the capability of those involved in taking the project forward, from both inside and outside of the organisation.
* A statement of the organisation’s readiness to take this project forward, and its commitment to ensure that the necessary resources, including appropriate workforce arrangements, are in place.
* Details of current and planned use of specialist external advisors
* A high level project plan; outlining main activities, timescales, dependencies and other deliverables.
* Details of any further work needed in preparation for developing the Outline Business Case for the proposal. This may include service, organisational and facilities change management plans.

### Summary of Governance support for the proposal

The following table is an example of how to set out how members of the proposal’s governance arrangements have been involved in its development and continue to support its current outcome(s):

|  |  |  |
| --- | --- | --- |
| **Governance Group:** | **Engagement that has taken place** | **Confirmed support for the proposal** |
| Organisation: | *NHS [Board name] are fully supportive of this proposal, with Director [title & name] taking the lead role in its development.*  *Any workshops attended by Board members include [who and event attended]*  *This proposal is also incorporated into the Board’s [ref] clinical strategy, [ref] service plan, ref [LDP, and [ref] PAMS. All of which have received NHS [Board name] approval.* | *This Initial Agreement was approved by the NHS [Board name] on [date].* |
| Service or Department | *The Service Director(s) involved in this project is/are [list]. Their responsibility and involvement includes [list].* | *This Initial Agreement was approved by the service directors at [meeting/event] on [date].* |
| Scottish Health Council | *Scottish Health Council have been informed on [date] of the impact of any proposed service change on patient care* | *Scottish Health Council have confirmed via [method of communication] on [date] that they are content with the kind and level of engagement carried out to date, and that it is in line with guidance. Further details on such engagement will be provided later in this IA.* |

Note: the words in italics in the above table are indicative of expected responses; however, details may be changed to suit the specific circumstances of the proposal being developed. Where other partners are involved the joint arrangements should be included

## Readiness to proceed

The following is a useful checklist to follow once the Initial Agreement has been drafted which will provide comfort that the organisation is ready to submit the document for approval and are ready to proceed to the Outline Business Case stage:

* Is the reason made clear why this proposal needs to be done now?
* Is there a good strategic fit between this proposal, NHScotland’s Strategic Priorities, national policies and the organisation’s own strategies?
* Have the main stakeholders been identified and are they supportive of the proposal?
* Is it made clear what constitutes a successful outcome?
* Are realistic plans available for achieving and evaluating the desired outcomes and expected benefits to be gained, including how they are to be monitored?
* Have the main project risks been identified, including appropriate actions taken for mitigating against them?
* Does the project delivery team have the right skills, experience, leadership and capability to achieve success?
* Are appropriate management controls explained?
* Has provision for the financial and other resources required been explained?

# Is this proposal still a priority?

**Response**

**Question**

**Conclusion**

Is this proposal still important?

Confirm:

* Strategic Assessment template

This final section shall confirm or update the investment priority scores for the proposal, updated where necessary in light of the evidence base developed as part of this Initial Agreement. An updated Strategic Assessment should therefore be produced where changes are needed, accompanied with details of reasons behind any changes. This will confirm that the proposal remains a priority for the NHS Board and Scottish Government.