



Appendix A

Project Initiation Document

Project Sponsor Client: Leisure Service

Date: June 2009

<p>Client : Leisure Services Project : Extension to Sandy Sports and Recreation Centre Document Author: Adrian Lear Leisure Management Contracts Officer Published Date : June 2009 Version : 1</p>
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Change History

The document is to be submitted to the relevant strategic Board (e.g CAMG/LTB) for approval and signoff. Thereafter amendments are to be approved by the appropriate change control procedures.

Issue	Date of Issue	Comments/Reason for change
Version 1.1	3 August	Additional information following the CAMG review
Version 1.2	3 September	Removal of detailed information regarding ESPO
Version 1.3	14 September	Addition of information regarding targets for market segmentation groups.

Distribution

Name	Position	Organisation

Abbreviations

ESPO (Eastern Shires Purchasing Organisation)

1. Introduction

Extension to Sandy Sport and Recreation Centre

The sports facilities at Sandy Sports Centre have been improved over the last 15 years with the provision of an artificial pitch, artificial running track and a 35 station fitness room with changing facilities.

The facility is administered through a Joint Management Agreement between Sandy Upper and Community School, Sandy Sports and Leisure Association and Central Bedfordshire Council. The facilities are managed by Stevenage Leisure on behalf of this Council and are staffed from 6.00am to 11.00pm weekdays and 8.00 to 8.00 Saturday and Sunday unless additional bookings within the function room are undertaken.

2. Objective

To improve the range and quality of leisure provision in Sandy and enable the leisure management contractor to review their leisure offer to increase income and reduce the contract management fee.

At the current time, the school has the use of the majority of the indoor facilities through out the school day. The additional facilities would allow regular classes to be advertised and promoted to the community through out the day, but also would enable the facilities to be used by the school to provide additional teaching opportunities and activities. Due to the patterns of public use it is also envisaged that some time will be available for school use during the afternoons. The utilisation and access measure within the National Benchmarking scheme show that the community usage during the day is poor. The access measure indicate that we need to target females, 60+, and that the National Statistics Socio-economic Classification 6 and 7 (NS Sec 7 & 8) are under represented when compared with these groups within the catchment area for the centre. The addition of the proposed facilities will allow the targeting of these groups.

It has been agreed that targets will be set for increases in the representation rates of the following groups measured within the Sport England Benchmarking survey.

	Baseline	2011/12	2012/13	2013/14
Females	46%	48%	51%	55%
60+	7%	8%	9%	11%
NS-Sec 6 & 7	11%	11%	12%	12%*

*Based on current concessionary rates

The objectives of this project help meet Central Bedfordshire Council's vision and priorities set out in its first strategic plan for 2009-2011. In this plan the authority has highlighted that its vision is 'to improve the quality of life of all in Central Bedfordshire, and enhance the unique character of our communities and our environment'.

In order to meet this vision the authority has agreed five priorities for 2009-2011 these are;

- Supporting and caring for an ageing population
- Educating, protecting and providing opportunities for children and young people
- Managing growth effectively
- Creating safer communities, and
- Promoting healthier lifestyles.

3. Scope

The extension includes;

- two dance studios
- create a viewing window into the sports hall,
- an improved bar area,
- additional toilets,
- refurbish the female changing rooms to provide the school with changing facilities for both male and female students.
- an additional 40 car parking and access road to improve parking during the evening and at large events

The requirement for the 2 dance studio is to make the best use of the space available, and will enable the development of 2 additional activities including X-biking (which is already be undertaken at Saxon Pool/Flitwick Leisure Centre and dance mats which are popular with women). The investment will allow the Leisure Management Contractor to review the activities available through out the day and promote the use of independent facilities to the local community, a requirement that has been noted through customer comments.

4. Description of Work

The Council is currently involved in developing other leisure development projects and employed Quantity Surveyors - Press and Starkey and Architects B3 as consultants on this project following that competitive tendering exercise. Both of these consultants have also been working with a number of other local authorities and have shown their ability to provide the public sector market with good quality buildings within the agreed budget over a number of years.

B3 (Architects) and Press and Starkey (Quantity Surveyors) have already undertaken a feasibility study to ensure that this project is deliverable on top of the current fitness facility and have provide the cost breakdown to ensure that the budget was set at the correct level.

The costs provided by the B3 for their work on this project have been compared using ESPO (Eastern Shires Purchasing Organisation) which is a joint Committee of Local Authorities and operates within the Local Government (Goods & Services) Act 1970. ESPO acts as a purchasing agent for its member authorities and other customers and provides a professional cost effective procurement and supply service.

While Central Bedfordshire is not a member of this group, the consultants have agreed to use the prices they charge organisations within ESPO, which have been through a competitive procurement process, to continue the project for which they had already undertaken some work.

Discussions have also been held with B3 and Press and Starkey as to the best method of delivering the project, due to the positioning of the proposed extension on the roof of an existing building, it was considered the best method of providing the first floor extension to be through a traditional building contract, to ensure that these issues are correctly addressed by all tenders. If Members agree B3 would acting as lead consultant and supplying the other expertise required to deliver the project.

Leisure projects require specialist knowledge to ensure they are fit for purposes. Mid Bedfordshire had worked with these two partners on a number of leisure projects in the past and Central Bedfordshire are continuing to work with them in regard to the delivery of the new Flitwick Football Centre. Through projects already completed, both of these companies have shown that they have the expertise and knowledge from past projects include Saxon Pool and Leisure Centre, Hitchin Swim Centre and Royston Leisure Centre to provide the expertise that the Council required to provide modern and fit for purpose leisure facilities. Both companies are working on projects linked to the provision of the Olympics in 2012.

Deliverables and outcomes

What specifically will be the deliverables or outcomes from the project?
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1	Improved range and quality service and increased number of people participating in Healthy lifestyles	2	Reduced revenue expenditure on the leisure management contracts
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What will be the measures of success used to gauge if the project is successful?			
1	Increased usage	2	Reduced Contract management cost

Summary of project plan

Key tasks:

If Members agree to the continued employment of the current consultants then this would be the suggested timetable

- July – October 2009 approval of Learning Transformation Board, Corporate Asset Management Group and Executive. Agreement to appoint lead consultant B3 to lead a traditional project build process.
- November 2009 Submit a planning application
- October/November 2009 Advertise for Building Contractors to undertake building work.
- December 2010 select short list of Contractors to be asked to tender
- January 2010 Send specifications to selected contractors
- March 2010 award contract
- April 2010 Start on Site
- September 2010 completion of project

5. Financial Issues

Funding Source

At the current time no other funding sources have been identified.

Capital/Revenue

Capital Funding of £690,000 in 2009/10 is included in the CBC Capital Programme 2009/10 – 2012/13 for this project, agreed by the Shadow CBC

Executive on 17 February 2009. This budget was set following an estimate of the project cost received from Press and Starkey, Quantity Surveyors in October 2008. In September 2009 they confirmed that the previously submitted cost plan for the project is still correct, and the Royal Institution of Chartered Surveyors Building Cost Information Services "All-In Tender Price" indices have decreased slightly since October 2008.

Stevenage Leisure Limited manages this facility on behalf of CBC. The current contract price is £122,832 per annum. Agreement has been reached with Stevenage Leisure Limited that once the new facilities are provided a reduction of £20,000 per annum will be made to the Contract fee, passing the risks of ensuring the additional use and income for the facilities to the Leisure Management Contractor, through the contract. This figure is based on the predicted increases in income and expenditure that the new facilities will provide. If any additional profit is made by the centre this will be included within the profit share arrangements. The Council will achieve these saving as soon as the facilities open, when a variation to the current contract will be agreed.

Lifecycle Costs

At the current time it is not possible to provide details of the lifecycle costs as the design is not at a detailed enough stage. Until we are aware of what materials are to be used for the building and what extra capacity is currently available within the current building we are unable to provide these costs accurately.

The additional revenue costs for utilities and general maintenance have been included within the revenue predictions following discussions with the contractor regarding changes to their contract price as these will remain their responsibility (day to day costs for running the building).

Cost Benefit Analysis

Revenue savings of £20,000 per annum within this project will repay the capital investment of £690,000 in 34.5 years.

It has been agreed that targets will be set for increases in the participation rates of the following groups measured within the Sport England Benchmarking survey.

	Baseline	2011/12	2012/13	2013/14
Females	46%	48%	51%	55%
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*Based on current concessionary rates

6. Roles and Responsibilities

The project will be led by the Project Manager. The full project board and team are:

Name	Project Board or Project Team	Location	Responsibility
Jill Dickinson	Project Board Executive	Chicksands	Client
Adrian Lear	Reports to the Project Board on the project and leads the Project Team	Chicksands	Project Manager
David Steven	Project Board	Sandy Upper School	Partner Organisation (Supplier)
Chris Brooker –	Project Team	Sandy Upper School	Partner Organisation
B3	Project Board and Team		Lead consultant (Supplier)
Press and Startkey	Project Board and Team		Quantity Surveyor responsible for project budget.
Kieron Vango Project board	Project Board	Stevenage Leisure Limited	Leisure Contractor (Buyer)
James Barker	Project Team	Stevenage Leisure Limited	Leisure Contractor
CDM	Project Team		Ensuring that the

			design is suitable for purposes (Buyer)
Contractor	Project Board Project Team		Building facility (Buyer)

Project Executive – Jill Dickinson

Head of Leisure Services will act as the Client for the project and will ensure that the requirements of the Council are met within the budget set.

Project Management – Adrian Lear

To work within PRINCE 2 principles. Responsible to the Project Board and for the day-to-day operation of the project. To deliver and implement end stage assessments and next stage plans within agreed tolerances. To report to the Project Board in accordance with PRINCE 2 and manage the Project in accordance with PRINCE 2. Responsible for the financial management of the project within agreed tolerances. Has overall responsibility for managing the processes and components within PRINCE 2. To contribute to the completion of risk and issue logs and to provide advice / solutions to manage risks.

School Representatives

Project Supplier – David Steven

Will act as the schools representative on the Project board

Site Agent – Chris Brooker

Will act as the representative of the school on the project team and will provide the expertise required to ensure that the work is undertaken in line with the requirements of the school

Architects B3 & Quantity Surveyors Press and Starkey (Suppliers within Prince 2)

The Council needs to employ a lead consultant to ensure that it receives a building that meets its requirements and it is recommended that due to the existing building that a traditional method of procuring the building is followed. The design team will include the following professionals

Architect to design the building

Quantity Surveyor to control the building budget.

Structural Engineers

Mechanical and Electrical Engineers

While the design team will consist of the above members it is normal to have a lead consultant (in this case the architect) who will be responsible for organising and managing the rest of the teams work and will provide expert advice to the project board. It is important that the project board has confidence that the funding for the building is controlled and this is why the quantity surveyor would be a member of the project board.

Stevenage Leisure Limited,– Leisure Contractor (Buyers under Prince2)

The Council has appointed Stevenage Leisure Limited its Leisure Management Contractor up until 2011. Due to the need to ensure that the centre generates maximum income and provides a service that the local community wants, it is important that a Leisure Management Contractor views are sought on the design and facilities that are provided along with the quality of the provision that is required.

CDM (Project Team)

The Council would need to appoint a CDM supervisor who would report to the board and will be responsible for ensuring that the work is undertaken in line with the CDM requirements

Building Contractor (Traditional Building Contract – Project team)

Once appointed the building contractor would also be represented on the project team.

7. Timescale

These are set out within the key milestones in section 4

8. Conditions / Constraints / Risks

The key factors that will impact the success of the project are

Risks	Likelihood H/M/L	Impact H/M/L	Mitigation
The project stays within budget and is delivered on time.	H	H	Employ lead consultant with expertise in the field and already engaged with this project to ensure the project budget is met and delivered on time. Ensure key roles are members of project board.
Stakeholders are not satisfied with the facility	L	H	All relevant stakeholders are engaged in project management
Revenue cost continues to increase within the next leisure management contract as other markets develop which Sandy is not able to compete with.	H	H	Invest in the facilities proposed to provide a broader offer to generate additional income
The school requires access through the day to the new facilities	L	H	Continue to negotiate with the school to agree usage patterns within the parts of the facilities open to the public. Ensure School is party to project management.