

Project Justification Form

Project: Farnham Leisure Centre Car Park Improvements/Farnham Skate Park groundworks

Service: Community Services

Officer Responsible for Project: Kelvin Mills

Identification of Need:

During the Brightwells build Dogflud car park will be closed, causing concerns for the Leisure Centre operator and Farnham residents as currently this car park is used by Farnham leisure centre customers due to its proximity and convenience.

In order to cater for the leisure centre customers who will be displaced during the Brightwells build it is proposed that improvements to the Leisure Centre car park are made before the development takes place. This will create convenient short stay spaces for the use of Farnham leisure centre users in the long term.

While this work is being carried out it is also proposed that ground work preparation for the new Skate Park next to the Leisure Centre is carried out in order to minimise disruption and costs.

In the first instance the project will be funded from the existing approved Brightwells budget. Officers are currently working alongside the Local Enterprise Partnership (LEP) to get permission to utilise the already agreed LEP 2 year loan towards this project.

The revenue effect of closing Dogflud car park is currently unknown as it is expected that long stay users will be catered for at Riverside car park in the short term and increased usage of parking in Farnham is forecast in the long term. It is expected that the Farnham leisure centre car park should raise net income of at least £30,000 per annum, although this is likely to replace income from Dogflud car park in the short term.

Demonstrate how this scheme would help achieve the Corporate Strategy objectives:

Leisure and Lives – Improved facilities for users of the skate park and leisure centre.

Cross Reference to Service Plan:

Progress to date (including position regarding planning permission):

Tender process has taken place
No planning permission is required.

Will the Corporate Project Management Toolkit be used? No

If no, how will the project be managed?

The project will be managed by Michael Edwards and Associates (MEA), the Employer's Agent for the Riverside Works.

Key Project target dates and milestones:

Leisure Centre car park Work starts early September 2013 – finishes end December 2013.

Skate Park Work starts – early September 2013 – finishes end September 2013.
Hand over to Skate Park Specialist end September 2013.

Capital cost (across years):

	Year 1 £	Year 2 £	Year 3 £	Total £
Land				
Contract Costs – Car Park works	£66,000			£66,000
- Skate park works	£10,000			£10,000
Fees				
Vehicles, Plant and Equipment				
Contingency	£8,000			£8,000
Other (specify) -				
Total Capital Cost	£84,000			£84,000

How capital cost will be funded:

	Year 1 £	Year 2 £	Year 3 £	Total £
WBC Capital – existing budget S106	£84,000			£84,000
External Funding (specify) - LEP loan	Possible use if agreed			
Total Funding	£84,000			£84,000

Ongoing Revenue Cost and/or savings (Invest to Save):

	Year 1 £	Year 2 £	Year 3 £	Total £
Staffing				
Other costs (specify) – rates, electricity & maintenance		10,000	10,000	20,000
Total Revenue Costs		10,000	10,000	20,000
Less				
Revenue income – car park charges		40,000	40,000	80,000
Estimated annual revenue effect		(30,000)	(30,000)	(60,000)
Offset by reduced income elsewhere in the short term		30,000	30,000	60,000
Total estimated net annual revenue effect		0	0	0

Long Term Return on Capital and Payback for car park:

	£		
Forecast Long Term Returns	30,000 p.a	Return on Capital	%
Capital Cost	73,000		
Forecast Savings		Payback	2.4 Years

Identify any efficiency gains resulting from the project:

These works are scheduled to take place in September 2013 to run concurrently with the construction of the new skate park, resulting in savings in time and money, and to minimise disruption to the area.

Identify any risks which may effect the project:

Failure of the Leisure Centre to surrender lease.

Environmental Impact, including Carbon Implications: N/A

Equality impact assessment carried out? N/A

How will the project be procured?

In accordance with the Council's Contract Procurement Rules, a Restricted Tendering Process has been undertaken. 3 tenders have been returned. Tender evaluation will take place on 21st June when a successful contractor will be chosen.

Is there scope for sharing/joint work? No

Completed by: Kelvin Mills

Date: 19/6/13