

Project Documentation

**POST PROJECT EVALUATION DOCUMENT
(PPE)**

Grange Community and Leisure Centre

Release:	Final – for consideration by Cabinet
Date:	8th June 2015
Author:	Jane Hotchkiss
Approved by:	Paul E. Over

Note: the completion of this document is only required for medium and large projects as defined by the project type matrix. The final version should be saved in a sub folder on the x drive under project management / project documentation.

Consideration by the Corporate Improvement Team

This document must be passed to the Corporate Improvement Team before it is approved by the Senior Responsible Owner (SRO). The Team will use the space below to record key information that needs to be considered by the SRO or by SLT or members. Please allow one week for the Team to fulfil this support role and incorporate this time into the approval process

Date	Reviewing Officer	Comments for Consideration
17/6/15	Joe Mildred	Detailed comments on draft passed back to the service. General comment on project management methodology - as the project was initiated before the council developed its PRINCE 2 based methodology guidance in 2005/6, a full PID and overarching project plan was not produced. The approach taken within this PPE reviewing the project's original key KPIs contained in the outcomes, measures and achievements section of this report is sensible.

Approvals

This document requires the following approvals:

Name of person, group or committee
Overview and Scrutiny Committee – 2 July 2015
Cabinet – 7 July 2015

Distribution

A final copy of the approved document will be distributed to:

Name	Job Title
Jane Hotchkiss	Head of Commercial services
Tim Radcliffe	HR Manager
Jane Dodsworth	Head of Business Support
Daniel Bramley	IT project Manager
Sarah Parker	PR Manager
Sarah Peyman	Sport and Leisure Development Manager
Stuart Mills	Westgate Operational Manager – Bourne
Mike Boyce	Westgate Operational Manager – Midhurst
Helen Belenger	Accountancy Services Manager
Katie Tucker	Technical and Systems Accountancy
Peter Legood	Estate Services Manger
Cllr Gillian Keegan	Portfolio Holder

1. PURPOSE OF DOCUMENT

1.1 This document provides a review of how the Grange Community and Leisure Centre project performed against the original outcomes set out in the Project Initiation Document (PID). Please note this project was agreed before the PID process was introduced and therefore the project will be reviewed against key KPIs contained in the outcomes, measures and achievements section of this report.

It allows lessons learned to be passed on to other projects and ensures that provisions have been made to address all open issues and risks alongside follow on actions and recommendations where appropriate.

It also provides the opportunity to assess any expected outcomes that have already been achieved and/or provide a review plan for those outcomes yet to be realised.

2. ORIGINAL PROJECT DESCRIPTION

- 2.1 The construction of a Community and Leisure Centre to replace the existing Leisure centre at the Grange in Midhurst.
- 2.2 To work with the existing community trust (The Grange Community Association) to transfer the land, transfer the staff and to deliver a new facility, to replace the old failing facility.
- 2.3 To work in partnership with WSCC to develop a Library, Registrar and community meeting room facilities.
- 2.4 To demolish the public toilets and provide new within the centre.
- 2.5 To increase the car parking capacity of the Grange car park by 60 spaces in accordance with the car parking strategy.
- 2.6 To close the area office in North Street and combine the front of house service with the community leisure centre.
- 2.7 To disposal of the surplus land to generate an income to the Council.

3. PROJECT OBJECTIVES

3.1 Outputs

To provide:

- Six court sport hall (to Sport England standard)
- Small Hall
- Meeting and activity rooms
- Squash courts
- Fitness studio
- Dance studio
- Café/bar and external area
- Library, registrar and meeting room (in partnership with WSCC)
- Treatment rooms

- Changing facilities
- Toilet facilities
- Area office service
- To increase the car parking capacity by 60 spaces

3.2 Outcome and measures

	Outcome	Measure	Achievement
1	The provision of a new community and leisure centre	<p>Capital costs</p> <p>Overall Capital cost of the project.</p> <p>Agreed budget Phase two £8,182,769 (Cabinet 13 March 2012 including phase one costs)</p> <p>Revised budget £8,367,309 (Cabinet 14th October 2014 including phase one costs)</p> <p>Increase due to additional costs to the car park at the Academy site, CCTV relocation totalling £15,000 and legal fees associated with the trust and valuation fees £21,800 not covered in the original project estimates. Plus the prolongation fees claimed by the design team £76,000 and construction cost due to extension of time claim due to the service connections and issues regarding the roof structure £86,000</p> <p>Partnership funding</p>	<p>Total spend phase one £110,800 (Aborted project due to WSCC deciding not to go ahead with the day care centre , WSCC contributed £26,200 costs towards the feasibility work)</p> <p>Total predicted costs including phase one costs £8,393,046 this is off set by the partnership funding, grant and section 106 contributions.</p> <p>Income from disposal reported to Cabinet on 3rd September 2013 part two item.</p> <p>CDC currently holding £105,354 retention linked to the successful completion of defects.</p>

		<p>WSSC - £805,000 (fixed contribution and agreed share from disposal for phase two) WSSC - £26,200 (for abortive costs associated with the feasibility work) Monument Trust £496,600 Section 106 £17,105</p> <p>Total partnership and section 106 £1,344,905.</p> <p>Budget cost to CDC £7,022,404</p> <p>Police Community Hub is treated as a separated project.</p>																															
2	<p>The operation of a new Community and leisure centre</p>	<p>Revenue Costs</p> <p>Performance of facility against estimated additional revenue costs required. Support costs have been included in licences and service agreements where these are real costs. (growth). Other current support costs are not included as this is not a growth item for the Council.</p> <p>Budget February 2013</p> <table border="1" data-bbox="465 1157 1153 1382"> <thead> <tr> <th></th> <th></th> <th>£</th> </tr> </thead> <tbody> <tr> <td></td> <td>Expenditure</td> <td></td> </tr> <tr> <td>1</td> <td>Employees</td> <td>403,382</td> </tr> <tr> <td>2</td> <td>Premises</td> <td>68,965</td> </tr> <tr> <td>3</td> <td>Transport supplies and services</td> <td>135,428</td> </tr> </tbody> </table>			£		Expenditure		1	Employees	403,382	2	Premises	68,965	3	Transport supplies and services	135,428	<p>First Full financial year 2014/2015 – Please see table below.</p> <p>Support costs have been included in licences and service agreements where these are real costs. (growth).</p> <p>Other support costs are not shown in order to compare with the estimated budget in February 2013.</p> <table border="1" data-bbox="1198 1157 1863 1382"> <thead> <tr> <th></th> <th></th> <th>£</th> </tr> </thead> <tbody> <tr> <td></td> <td>Expenditure</td> <td></td> </tr> <tr> <td>1</td> <td>Employees</td> <td>396,225</td> </tr> <tr> <td>2</td> <td>Premises</td> <td>79,017</td> </tr> <tr> <td>3</td> <td>Transport supplies and services</td> <td>128,554</td> </tr> </tbody> </table>			£		Expenditure		1	Employees	396,225	2	Premises	79,017	3	Transport supplies and services	128,554
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4	Contract Services costs, licences	16,750	4	Contract Services costs, licences	4,212
5	Service agreements/insurance recharge	22,545	5	Service agreements/insurance recharge	1,320
6	R&M	20,100	6	R&M	4,557
7	NNDR	66,300	7	NNDR	123,335
8	Asset renewal including major equipment	46,800	8	Asset renewal including major equipment	46,800
9	Total Service Expenditure	780,270	9	Total Service Expenditure	784,020
10	Income	668,486	10	Income	574,119
11	Total Service Cost	111,784	11	Total Service Cost	209,901
12	Estimated savings from area office	77,300	12	*Savings from area office	65,200
13	Estimated additional income from car parks	9,720	13	Additional income from car parks	390
14	Savings from public conveniences	19,800	14	Savings from public conveniences	19,800
15	Additional revenue cost to CDC	4,964	15	Additional revenue cost to CDC	124,511

*Savings from area office £44,700 from the closure plus additional rental income of £20,500. Seeking a further £11,000 for the first floor.

The total cost of the service including the support costs (£42,215) direct management costs and pensions adjustment (£20,020), management supplies and services (£10,514) the depreciation costs (£138,336) is

			<p>£374,186.</p> <p>Please note the £46,800 indicated in the table above is not funded out of the revenue account</p> <p>However as support services were not increased as part of this project, the costs of the support services is now distributed across this service area which has resulted in support costs being lower for the existing CDC services.</p> <p>Operational Performance</p> <p>The budget for 2015/16 was based on a model of 800 direct debit memberships in accordance with the original budget model presented to cabinet in February 2013. The expenditure budget has been well managed with the employee, premises, and supply and services budget all under the estimated budget. However the NNDR valuation came in significantly higher than the estimated cost based on the cost for the Bourne Community and Leisure Centre. The valuation office viewed the facility as a more commercial facility due to the catering provision.</p> <p>Direct Debit membership income:</p> <p>The income was £8,800 under the operational budget. At the beginning of the year the DD membership figure was 453 and at the end of March this had risen to 744. Currently the membership to the end of May is 807.</p>
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			<p>Dryside Activities, £13,500 under budget This income stream consists of health suite, individual games (eg: badminton), team games and classes. The health suite is well used at the Grange however this is predominantly by direct debit members who have use of the area via their membership. Income from non-members has been a lot lower than expected. Promotions are continuing to increase this area's use with BOGOF vouchers being distributed around Midhurst, external advertising and other promotions such as the café cake promo (cake and a soak). This is hoped to boost the health suite's income. Team games are currently below budget due to events. With a strong event calendar, the centre is unable to offer regular and consistent bookings to the sports hall for team game use. Events are being planned which are organised (eg: a 5 a side football tournament) by the centre to encourage team games bookings at times the sports hall is regularly available.</p> <p>Misc Activities & Events, £13,100 under budget – The home and Garden event, which was budgeted, unfortunately did not take place in the 2014-15 financial year. Coupled with this, the Grange found that the events towards the beginning of the year were not as well attended as those towards the end. For example the monthly market stalls in the early months were around 40 and we are now getting around 65. In this coming financial year new events have been added including a toy fairs.</p>
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			<p>Sundry debtors, £9,000 under budget – Unfortunately a couple of the clubs that were present at the old Grange site left within the first few months (Garden club and Lions) free facilities became available to them.</p> <p>Catering, £8,570 under budget – The catering service now offers a comprehensive food, snack and drinks menu throughout the day. This is a large cultural and operational shift from what was offered previously. New ways of working including strict stock control, new products, staff rotas and increased volume are now implemented however challenges around these were faced towards the beginning of the financial year. These challenges have largely been overcome with better financial performance from the catering function in the latter half of the year.</p> <p>Sponsorship, £4,000 under budget – No sponsorship income was achieved in the first year.</p> <p>Membership, £2,500 under budget – This is the sports (pay and play) membership income. The centre has noticed a large increase in direct debit membership take up and so has unfortunately experienced a reduction in the ‘casual’ membership use. The centre is still advertised widely and engages in self-publicity (social media, newsletter mail outs etc) so it is hoped this membership income will increase for the 2015-16</p>
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			<p>financial year.</p> <p>The income target the facility was revised down for the 2014/2015 year when detailed budgets were produced by £35,000</p>
3	The disposal of the surplus land.	Capital receipt to the council	<p>The development site was marketed in Summer 2013 and Kimberley Developments, working with Waitrose, were selected as developer by Cabinet on 3 September 2013. Contracts were exchanged in January 2015. The contract is conditional upon planning permission being granted for a new food store. Discussions continue with Kimberley to move the disposal forward.</p>
4	Partnership working to deliver a community hub	Partnership delivery of community facilities and shared operational costs of common areas.	<p>Library</p> <p>WSCC are very pleased with the performance of the library. The facility can now be open from early morning through to the evening seven days a week.</p> <p>The number of issues has increased significantly with 47,861 issues in 2013/14 increasing to 73,445 in 2014/15 an increase of 53.5%</p> <p>The total number of visitors to Midhurst library for April 2014 to March 2015 was 109,315 (previous years the library at Knockhundred Row did not have a people counter)</p> <p>Registrar</p>

			<p>240 people have visited the Registrar's office on Tuesday and Friday mornings.</p> <p>Area Office</p> <p>The Area Office function relocated into the new facility is now helping between 10 and 15 people per day.</p>
5	Increase in activity levels and customer satisfaction	<p>Number of direct debit memberships linked to the business plan.</p> <p>Number of clubs and organisations</p> <p>Number of events</p>	<p>The target within the original business plan was to achieve 800 DD members. This is over three times the previous DD membership at the Grange.</p> <p>The current figure May 2015 is 793 members. As at 10th June a further 14 members have signed up bringing the total to 807.</p> <p>The target has been revised up to 850 DD members for 2015/16.</p> <p>28 clubs and organisations currently use the centre. The therapy rooms have been let to Beauty Therapy and an Osteopath. Rother Valley together uses the facility three times a week with a lunch provided to the customers.</p> <p>40 community events are planned for this year ranging from Antique Fairs, Monthly Markets, Holistic Fairs and Modellers Exhibitions. Three weddings have been hosted and a number of private event hire.</p> <p>During the first year :</p>

		<p>Customer survey results</p>	<ul style="list-style-type: none"> • More than 126,000 people have enjoyed gym classes. • More than 140,000 people have come through the doors. • More than 1,315 hours of badminton have been played. • Tiny Tots play sessions have been enjoyed by more than 2,290 children. • A total of 23,360 cups of coffee have been enjoyed in the café - Americano is the most popular by far! • Clients on the Wellbeing Weight loss Workshops have shed 355 lbs between them (which is just over 25 stone or 161 kgs). • More than 17,700 people have attended special events at The Grange including antiques fairs and indoor markets. <p>List of marketing activities that have taken place are shown in appendix four</p> <p>Westgate Customer Survey across the three sites found: High levels of customer satisfaction have been achieved at The Grange by telephone, email response and in person. Over three quarters of respondents that visited the Grange, (81.1%) feel the facilities meet their needs. <u>Reception</u> – Highest satisfaction levels with the Grange, 97.6% <u>Class Instructors</u> – Highest satisfaction levels with the Grange, 77.5%</p>
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			<p>General satisfaction levels of overall cleanliness are high with 92.9% satisfaction at the Grange.</p> <p>Appendix two Contains a case study regarding customer feedback and a number of comments received by users of the new facility.</p>
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3.4 Dis-benefits

None

4. PROJECT COSTS

See above

5. PROJECT PLAN – Construction

Project Stage	Scheduled Completion Date	Actual Completion Date	Comments
Enabling works and temporary car park	28.10.2012	16.11.2012	Start on site September 2012. Delays due to ground conditions additional drainage requirements specification for perforated pipes and attenuation tanks
Construction of the new Community and Leisure Centre	9.12.2013	26.02.2014	<p>Work started on the 19th of November 2012. Delays due to:</p> <ul style="list-style-type: none"> • The services install (The country experienced bad storms which lead to the services dealing with emergency situations and caused delay to the construction.) • Delays to the roof construction, high level upstands and

			<p>redesign of the parapet.</p> <p>There was consensus that the design of these elements needed to be revised and that the duration for the completion of these elements effected the progression of the works. (As reported to Cabinet 14 October 2014)</p> <p>The service took four days to equip and clean. The Centre was opened to the community on the 3rd March 2014.</p>
Demolition	29.06.2014	17.07.2014	Started on site 27.2.14
Car Park	29.06.2014	17.07.2014	Started on site 27.2.14. A minimum of a 99 car parking spaces where made available to the public at all times during the construction of the building and car park. A large additional parking area was provided during the construction period at the Rother College at weekends and holidays
Defects	17.07.2015		

6. PROJECT MANAGEMENT PROCESS

- 6.1 The project management plan for the new centre, car park and disposal involved a number of external partners and key stakeholders.
- 6.2 In order to keep all external and internal support services involved a number of project groups were established which fed into a core group. The core group then met with the Cabinet Member and Midhurst Members for regular updates.

The lead officer also reported to cabinet on a regular basis to inform of any budget or time issues and updated the internal covalent project monitoring process to ensure that the SLT was fully informed.

The core group consisted of:

Jane Hotchkiss -Project Sponsor

Ruth Wells – Project coordinator (left part way through the project)

Sarah Peyman – Sport and Leisure Development Officer

Stuart Mills – Westgate Leisure Bourne Operational Manager

Kevin McCoy – Westgate Leisure Manager

- 6.3 A main officer group was established which had representation from HR, PR, IT, Car Parking, Area Office, Finance, Legal and Estate services. Sub groups were established at different times of the project to drive key stages. The sub groups reported back to the main group to ensure everyone was kept informed of any issues and progress.
- 6.4 A working group was established with WSCC and again the representation on this changed depending on the stage of the project. The representation included WSCC Project Officer, Head of Library Services, Head of Registrar Services, Quantity Surveyor, Midhurst Library and Registrar staff, Estate services Manager.
- 6.5 A liaison group with the Cabinet Holder as the Chair was established to deal with the complex partnership arrangements with the existing Grange Trustees. These meetings were held monthly in accordance with the development agreement. Three representatives from the Trust attended the meetings and they communicated with the Board of Trustees and the centre Manger.
The Grange Trust agreed to take on the management of the day care facilities from WSCC, to keep the centre open until the new facility was opened with funding from WSCC.
- 6.6 Regular meetings were also held with the Town Council and the Academy to ensure they were informed of progress and any issues associated with the car park numbers and any planned events within the Town. The officers also met with Rother Valley Together Trust to ensure that the requirements of the group where met in the new facility. The Chair of the Trust also assisted in the application to the Monument Trust which we were successful in securing £496,600 grant funding towards the project.
- 6.7 The construction was a traditional construction method and a full design team was appointed by the Council which included Architect, Mechanical and Electrical Engineer, Structural Engineer, Quantity Surveyor, CDM coordinator, landscape Architect, BREEAM advisor, and Ecologist.
- 6.8 An external project manager was appointed from RLF Brighton to coordinate the design team and perform the role of Contract Administrator. The Lead Officer (Project Sponsor) for the Council, the Project Officer and the Sport and Leisure Development Manager attended the monthly design team and contractor meetings. Additional design team meetings were held at key stages. The design and contractor meetings were also attended by WSCC officers and there Quantity surveyor in accordance with the development agreement.

- 6.9 All of the above groups had formal agendas, minutes, actions, project programmes and risk registers.
- 6.10 Ad hoc meetings/consultations were set up with the existing staff at the Grange facility in order to comply with the TUPE regulations and to keep staff fully informed. 70% of the staff for the new facility were existing staff at the Grange. A consultation event was held with existing clubs and organisations followed by one to one meetings with all the clubs with concerns over the relocation, times and prices. All of the clubs and organisations transferred over to the new facility
- 6.11 As this was a large project with a number of key stakeholders it was important that actions and responsibilities were recorded. The stakeholders had to be assessed in terms of the available resources available to work directly with the group or to liaise as a larger group. The Local media and the community were also very interested in the project and a communication plan was produced by PR. Large notice boards were displayed on site and local school children attended a number of events such as meet the builder and picnic with the team. The school children also displayed their posters about the new facility on the site hoarding. Newsletters were produced and distributed around the local community and in the schools.
- 6.12 The project management process worked well with key actions and communications coming back through the project sponsor to ensure that the Local Members, the Cabinet Holder and SLT could be kept informed of the progress or any issues and to ensure that the overall project programme, budget and associated risks be assessed.
- 6.13 The working relationship with the external project manager was excellent however due to maternity leave we lost the key contact during the last stages of the project which didn't help with the final contract administration work and defects as another project manager took over the process but did not have the history of the project.
- 6.14 Within the design team due to the duration of the project and also the economic climate at the time, the structural engineering company merged with the mechanical and electrical company, followed by a restructure which resulted in losing our electrical advisor and original mechanical advisor. The replacements took a period of time to get to know the project and we also had difficulty in securing a representation to attend some of the meetings which caused additional work for the project manager and delays to information being produced.
- 6.15 The project also lost the original Architect assigned to the project from HNW however, after a period of time the Director led the project from HNW which brought the project back in line and was beneficial in the last few months.
- 6.14 Due to the duration and scale of the project, internal support was required from a number of support services. The level of support was different from the respective service areas at different times. Due to the number of corporate projects being delivered at the time this meant that a number of services were stretched to cover resources required. Officers spoke of being overworked and not being able to give the required time to the project.

With the recent creation of the Programme Boards any peaks in resource demand can be addressed to ensure that priority projects have the resources at the required time.

7. FURTHER ACTION

- 7.1 Ongoing - To review the number of projects across the Programme Boards to assess the priority of these projects to ensure that they are adequately resourced at critical times.
- 7.2 The operational costs of the service are monitored and reviewed to ensure there is adequate budget and that the service is managed efficiently.
- 7.3 To progress the disposal of the surplus land at the Grange.
- 7.4 To complete the defects programme and manage the retention budget.

8. REVIEW PLAN

- 8.1 To continue to monitor and drive the disposal of the surplus land in order to deliver a capital receipt for the Council.
- 8.2 To review the future delivery of the operational management of the centre as part of the leisure procurement project. A report of the procurement process is planned to go to a full Council and Cabinet for decision in December 2015.
- 8.3 To complete the defect process by July 2015.