

Project Appraisal

Project Name	Hanover-Princes Court Community Room
Committee	Housing Management Board
Portfolio	Housing
Committee Date	4 th June 2013
Executive Councillor	Cllr Catherine Smart
Lead Officer	Sandra Farmer / Trevor Woollams

Project Appraisal and HMB Recommendation

Recommendations

Financial recommendations -

- The Executive Councillor is asked to approve
 - a) The Project Appraisal for the re-development of the existing laundry to create a new community room with small adjacent laundry at Hanover and Princes Court.
 - b) That any shortfall in revenue funding for the community room be met from income generated by telecom masts on the top of Princes and Hanover Courts.

1 Summary

1.1 The project

This project has come about as part of the Council's approach to devolved decision making over the use of developer contributions. The proposal was initially raised by Hanover Court and Princes Court Residents Association through the Newtown Forum and also discussed at the South Area consultation workshop with local residents and community groups last autumn. It has been identified by the South Area Committee as a devolved funding priority (£100,000) for delivery by March 2014. The project appraisal is being reported to the Housing Management Board given

that the existing laundry is an HRA asset. It is proposed that the new community room will remain an HRA asset but will be managed jointly by City Homes staff and Hanover Court and Princes Court Residents Association.

The project involves re-development of the existing laundry to create a new community room with small adjacent laundry space which can be accessed separately. The footprint of the existing laundry is approx 45m². The new building would have a footprint of approx 80m² (subject to final design and costing). The Council's Architects have produced indicative drawings which have been shown to residents and included in a resident's newsletter. They are currently working up detailed design options. Residents of Hanover and Princes Court will be consulted on the options at their resident's meeting on 26th June before the design is finalised.

Target Start date	September 2013
Target completion date	November 2013

1.2 The Cost

Total Project Cost	£103,000
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Capital Cost Funded from:

Funding:	Amount:	Details:
Reserves	£	<i>None</i>
Repairs & Renewals	£	<i>None</i>
Developer Contributions	<i>£100,000</i>	<i>From South Area Committee devolved developer contributions</i>
Other	£3,000	Existing Housing budgets

Revenue Cost

Year 1	£5,000 (£2,500 net)
Ongoing	£5,000 (£2,500 net)

1.3 The Procurement

Procurement of the new community room will be carried out by the Council's Repairs and Maintenance service using existing contracts.

2 Capital Project Appraisal & Procurement Report

2.1 What is the project?

This project is to re-develop the existing laundry building at Hanover and Princes Court to provide a purpose built community room which will be managed jointly by City Homes staff and Hanover and Princess Court Residents Association. The new community room will have a separate small space which will be accessed from outside the community room and which will accommodate a washing machine for the use of residents. The new washing machine and associated equipment will be funded from existing housing budgets.

The existing laundry building is in very poor condition and unsuitable as a meeting space. Whilst there is still some need for laundry facilities, use is relatively small.

2.2 The major issues for stakeholders & other departments

Extensive consultation has been carried out with local residents of Hanover and Princes Court and the project is supported by the Newtown Forum (Residents groups from the Newtown Area), ward councillors and South Area Committee.

The project appraisal has been considered by the Council's internal Asset Management Group and Housing Management Team. Some concerns were raised about how revenue funding for the new community room would be secured. General running costs (heating, lighting, maintenance etc. are estimated to be £5,000. We will be able to generate some income through hiring out the room to local

groups. It is difficult to estimate in advance what this might be but based upon similar sized community rooms elsewhere in the city, a modest charge of £5p/h for an average of only 10hrs a week would generate around £2,500 each year. This would leave a shortfall of £2,500 which would be met from income generated from telecom masts on the adjacent buildings.

Revenue costs for the small replacement laundry area will continue to be met from the HRA.

The project appraisal will also be shared with South Area Committee members before the 4th June so that any comments from them can be fed into Housing Management Board and taken into consideration by the Executive Councillor for Housing when a decision is taken.

2.3 Summarise key risks associated with the project

The community room will be managed jointly by City Homes staff and Hanover and Princes Court Residents Association. The Residents Association will continue to be supported by the Resident Involvement Facilitator within City Homes and the Community Development Officer for the Newtown area who have been working together with residents on this project.

The new community room will be available for hire by any community group within the City although Hanover and Princes Court residents and local groups within the Newtown area are expected to be the main users.

2.4 Financial implications

- a) Appraisal prepared on the following price base: 2013/14
- b) The Capital allocation of £103,000 is made up of a £100,000 allocation from developer contributions (community facilities) and £3,000 from existing housing budgets.
- c) Revenue funding for the community room will be met from income generated by hiring the community room with any shortfall (estimated at £2,500) met by income from

telecom masts on the adjacent buildings. Revenue funding for the new and much smaller laundry room will remain with the HRA.

- d) The new community room and laundry will remain a Housing Revenue Account (HRA) asset.

2.5 Capital & Revenue costs

(a) Capital	£	Comments
Building contractor / works	91,000	Estimated costs (not yet tendered)
Purchase of vehicles, plant & equipment	3,000	
Professional / Consultants fees	9,000	
IT Hardware/Software		
Other capital expenditure		
Total Capital Cost	£103,000	

(b) Revenue	£	Comments
Total Revenue Cost	2,500	Net costs (estimated) for the new community room

2.6 VAT implications

There are no adverse VAT implications to this project

2.7 Environmental Implications

Climate Change Impact	+L
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It is estimated that the overall project will have a low but positive environmental impact as the new building will be better insulated.

2.8 Other implications

The project takes environmental issues into consideration and will ensure that the relevant health and safety standards are complied with.

An EQIA has been carried out. The new building will be fully accessible and available for hire by all groups, although use by Hanover Court and Princes Court residents and groups within the local Newtown area will be prioritised.

Hanover and Princes Court house some of the city's most deprived residents in terms of income. There has been focussed community work over the last 12 months with Community Development and Housing officers working with residents to bring forward ideas for improving the local area and strengthening community cohesion. Hanover and Princes Court RA is now an active member of the Newtown Forum and the group has worked with officers to bring forward this scheme in consultation with local residents and ward councillors.

2.9 Staff required to deliver the project

The project will be overseen by staff within City Homes, tendered through existing maintenance contracts and managed by the Council's Architects. The budget allows for Architects Fees (£8,000) and Building Regulation Fess (£1,000).

2.10 Identify any dependencies upon other work or projects

None

2.11 Background Papers

South Area Committee Minutes January 14th 2013 - Developer Contributions

2.12 Inspection of papers

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Appendix A

	2012/13	2013/14	2014/15	Comments
	£	£	£	
Capital Costs				
Building contractor / works		91,000		
Purchase of vehicles, plant & equipment		3,000		
Professional / Consultants fees		9,000		
Other capital expenditure:				
Total Capital cost		103,000	0	
Capital Income / Funding				
Government grant				
Developer contributions		100,000		South Area Committee 'community facility' contributions
R&R funding				
Earmarked funds				
Existing capital programme funding		3,000		HRA
Revenue contributions				
Total Income (capital)		£103,000	0	
New Capital Bid	0	0	0	