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| **Business Case** | | |  |
| **Document Purpose**  The Business Case provides justification for undertaking a project (or programme). It evaluates the benefit, cost and risk of alternative options and provides a rationale for the preferred solution. | | | |
| **Project Name:** | *Installation of new floodlighting to Playing Pitch 1 & Training Pitch 2, Smithtown RFC* | **Project / Work Package Number:** | *If applicable* |
| **Project Sponsor:** | *Peter Smith (Vice Chair)* | **Linked Document(s):** | *If applicable* |
| **Project Manager:** | *Sarah Jones* | **Lifecycle Phase:** | *Concept* |

1. Project Summary

*Smithtown RFC manages 4 full size playing pitches, and four training pitches at the Orchard Road Town Trust sports site.*

*There is currently limited floodlighting available at Smithtown RFC. Our existing lighting is located on our main playing pitch 1 and being nearly 30 years old is now unreliable and obsolete. The Smithtown RFC Floodlight Project seeks S106 funding for the provision of new floodlighting to the following pitches:-*

*Playing Pitch 1 - this is the club's main playing pitch for senior / cup / regional matches at the Smithtown RFC site on Orchard Road. The pitch had improved drainage installed in 2015 and offers terracing / safe viewing for supporters. New floodlighting will consist of 10 new lighting columns with lights (5 columns on each side of the pitch) and will include all necessary upgrade works to the electrical supply infrastructure.*

*Training Pitch 2: This is the closest training pitch to the main Pitch 1 and therefore is best placed for the provision of a new electrical infrastructure connection to enable the installation of floodlighting on one side of the training pitch. New floodlighting will consist of four new lighting columns with lights along one side of the pitch and will include all necessary upgrade works to the electrical supply infrastructure*

1. Background & Reasons for Change

*In 2016/17 the inadequate and outdated floodlighting resulted in 20 evening games and training sessions for all age groups being cancelled or moved to alternative venues at great cost to the club and players.*

*The poor floodlighting means evening training in winter can only take place on Playing Pitch 1 which places greater pressure on the playing surface and means fewer games can be played each year. We estimate that Playing Pitch 1 could accommodate 20 more games per season if training could take place during the evening on Training Pitch 2. This would increase the income from match fees by £8,000 per year*

*We need to enhance capacity to enable more games and training sessions to take place on our own site, to save approximately £15,000 p.a. from hiring alternative sites and temporary floodlighting. Also, the current floodlighting is energy inefficient costing the club £5,000 p.a. in electricity bills.*

*We need to develop more opportunities to hold more training sessions for all age ranges and develop women’s / girls teams at the club to accommodate the growth of women’s rugby. By achieving this we will be more able to access future funding by helping to achieve the strategic aims of the RFU and Sport England.*

*In 2016/17 player numbers increased by 5%, in 2017/18 this increased to 19% as more junior teams were established. The club is active across the wider Smithtown community, and there is a clear demand to play rugby union from all ages and abilities, we need to enhance our facilities to cater for this growth.*

*In the Smithtown RFC club vision document (2017 - copy provided), improvements to floodlighting is identified as the number one priority, together with new changing facilities for all to use. The club undertook a consultation with members / clubs / families who currently use the site (2016/17). New lighting was the top of five priorities identified by club members.*

*The outcomes that we are seeking to achieve from the project are:*

* *Continued growth of club membership, both senior and junior and family members*
* *Develop three women’s teams with plans to accommodate two more*
* *Less games cancelled due to overuse of Playing Pitch 1*
* *More training sessions organised for all ages and genders*
* *Reduce expenditure on hiring alternative facilities / portable floodlighting*
* *Reduce expenditure on maintenance and electricity bills*
* *Increased income from match fees and memberships*

1. Summary of Options Appraisal

*The options that were considered were as follows:-*

*Option 1: Do nothing - continue with existing floodlighting.*

*Option 2: Decommission and remove existing floodlighting*

*Option 3. Remove old floodlighting and install new state of the art floodlighting system*

*Please see Options Appraisal addendum for a discussion of the three options and how well they deliver the outcomes / benefits listed above and the maintenance costs of each option*

1. Recommended Option - Description

*Remove old floodlighting and install new state of the art floodlighting system*

1. Recommended Option – Outcomes / Benefits

*• Financial – The club will save approx. £100k in maintenance costs and £37,500 energy costs over 15 years and save £225,000 over the same period from not having to hire alterative facilities and temporary floodlighting. The club would increase income from match fees and membership by £8,000 p.a, or £120k over 15 years. The total 15 year economic benefit to the club is therefore £482.5k.*

*• Service Improvements – 20 less evening games and training sessions cancelled. Increase number of senior players by 250 by 2025. Increase number of juniors by 50 by 2025. A new mini's rugby session will be established with a target of 50 participating per year. The club will establish 2 senior / 2 junior women’s/girls rugby teams with a target of 70 participating per year. The number of seniors playing rugby (18 and over) training sessions will increase from 3 to 10 sessions per week. A new programme of training for juniors (8 - 16) will be introduced with 4 sessions per week. Playing Pitch 1 will be made available for up to 5 evening regional / knock out cup games. Club Membership: Currently stands at 552 (includes 102 family members) - our target is 1020 by 2025 (500 senior players, 250 junior players, plus 70 women's / girls team players and 200 family members).*

*• Environmental, social and economic benefits – Reduced Co2 emissions and energy costs. Increased capacity to support rugby in a growing community with the mental and physical health benefits that derive from playing teams sports. The annual economic benefit to the club is approx. £32.16k (£482.5K / 15)*

*• Compliance with legislation or avoidance of increased future costs, reduction of risks – The new floodlighting will meet current electrical and environmental standards and the increased ambient light from the system will make training sessions and games safer with a reduced risk of injury.*

1. Recommended Option – Cost / Resources

***Costs***

*£330k capital*

*£50K revenue (15 years estimate)*

***Resources***

*South Glos Council S106 - £280k capital and £50k revenue*

*Sport England - £50k capital*

1. Recommended Option – Key Risks / Opportunities

*Provide a summary of the potential risks and opportunities, together with the impact if they happen*

*Risks:-*

*Capital costs could increase above £340k estimate – ensure detailed tenders and quotes at development phase of project and seek alternative funding sources if necessary, including crowd funding.*

*Objections from surrounding residents at planning application stage, this could result in failure of project. Ensure consultation with residents and clear communication on times when floodlighting will be used.*

*Opportunities:-*

*To access further funding from Sport England and RFU to enhance changing facilities in the pavilion.*

1. Recommended Option – Timescales / Indicative Schedule

*Set out when the proposed changes need to be made, together with key milestones*

*Secure Sport England Funding 01/09/2017*

*Submit planning application 01/11/2017*

*Secure S106 / Sport England Funding 01/03/2017*

*Tender and obtain three quotes 01/02/2018*

*Demolition of existing floodlighting 15/03/2018*

*Installation of service connection and drainage works 01/04/2018*

*Floodlighting installation 20/04/2018*

*Commissioning and testing 16/06/2018*

*Handover to club 22/06/2018*

1. Recommended Option – Synergies / interdependencies with other projects / programmes / initiatives

*Jonestown RFC are based 5 miles from our facilities. The club are currently also experiencing an increase in the population of their town, however their priority is to construct a new sports pavilion with changing facilities that meet current RFU standards. The club do not have floodlighting and the immediate proximity of residential housing may make this difficult to achieve in future. If we are successful with applications for funding we will work with Jonestown RFC to accommodate 1 or 2 training sessions per week during winter months for their members. This would being increased income to the club.*

*There are a limited number of specialist companies able to install sports floodlighting systems. We are however, aware of three such companies and will obtain detailed quotes from each.*

*The project works will be scheduled to take place in the close season, with sufficient time contingency in case there are delays. The works will be scheduled to begin in the week following end of season (April 1st)*

1. Recommended Option – Assumptions & Constraints

*Provide a list of preliminary assumptions and constraints for the proposed project*

*Assumptions:*

*Planning permission will be secured by end of January 2018*

*All funding will be secured by March 2018*

*All contractors will be approved installers by RFU*

*Sufficient contingency (10%) and an allowance for inflation will be included in detailed costing when developed.*

*Constraints:*

*Works have to be completed and handed over to club during close season*

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| **Control & Approval** | | | |
| **Author:** |  | **Approver / Title:** |  |
| **Document Version no:** |  | **Approval Date:** |  |

**Options Appraisal Table**

Include any references to Technical Reports which inform the Options Appraisal Table.

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| **Option(s)**  *Insert short description of options* | **Costs**  *Including staff, land, plant & machinery, other resources, and how these costs will be met* | **Benefits and Opportunities**  *Reasons for doing the option, should include Environmental, Social, Technological, Legal and Economic benefits, as appropriate, together with potential opportunities* | **Dis-Benefits and Risks**  *Describe any dis-benefits of this option, any opportunities that will be missed, waste products that will be generated, etc* |
| 1 – Do Nothing | Annual maintenance £5,000. Electricity p.a. £5,000. 15 year maintenance cost £150,000 (at 2017/18 costs). 15 year energy £150,000 (at 2017/18 costs) | Evening and training games will continue to take place whilst the system is working. | The existing floodlighting system is outdated and subject to multiple failures so it is not likely to be functional for more than the next 2 or 3 years. It is not fit for purpose and its retention would lead to continued high numbers of games being cancelled and an inability to increase capacity and develop membership and women’s teams. There would be no prospect of reducing maintenance and energy bills and limited opportunity to grow club income. We would continue to have to pay fees to use other facilities and hire temporary floodlighting (£15k p.a.). It would not be possible to achieve the outcomes listed in section 2 above. |
| 2 Decommission and remove existing floodlighting | £30,000 to decommission floodlighting system | To safely remove outdated floodlighting  To save maintenance and energy costs (£300k over 15 years) | Large numbers of games would be cancelled and it would not be possible to develop the number of youth teams and women’s teams playing at the site. There would be savings in annual maintenance and energy bills, however we would lose substantial income from cancelling evening games and not being able to train in winter evenings. We could not be able to grow our membership and support the growth of women’s teams. It would not be possible to achieve the outcomes listed in section 2 above. |
| 3 – Install state of the art new floodlighting | Approx £340k capital and £50k maintenance for 15 years | The installation of new state of the art floodlighting will produce a number of benefits:  Environmental – LED lighting will substantially reduce Co2 emissions by cutting energy consumption by 50%  Social – the number of participants (senior, junior and females) playing rugby will grow. Three new women’s teams will be established. More games will be played and more training sessions held, improving fitness and skills. The club will improve sustainability by reducing expenditure and increasing income.  Technological – the new system will be state of the art complying with modern electrical safety standards and subject to greatly reduced annual maintenance costs  Legal – the new system will produce increased ambient light to ensure safe evening / night time training for participants and spectators ensuring we comply with our risk assessments and legal requirements to safeguard the public.  Economic – The club will save approx. £100k in maintenance costs and £37,500 in energy costs over 15 years and save £225,000 over the same period from not having to hire alterative facilities and temporary floodlighting. The club would increase income from match fees and membership by £8,000 p.a, or £120k over 15 years. The total 15 year economic benefit to the club is therefore £482.5k.  Opportunities include the ability to access Sport England and RFU funding for future sports pavilion funding. This would not be possible unless we had the capacity for growth afforded by the new floodlighting system.  This option would allow the club to take steps to achieve all the outcomes listed in section 2. |  |

Take the identified environmental, social, technological, legal and economic impacts (positive and negative) of options into account in selecting the Preferred Option(s), and record how the appraisal has been taken into account in selecting the Preferred Option(s).

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| **How the financial cost, environmental, social, technological, legal and economic impacts (positive and negative) of the options have been taken into account in selecting the preferred option(s)** |
| *What has been done to increase positive impact and reduce negative impact and to mitigate risks to achieving benefits for the preferred option?*  *Option 1 removes the ability of the club to grow and provide enhanced facilities for the growing community around Smithtown. The cost of option 1 over 15 years is £300,000 in maintenance and energy costs, however in reality the system will have to be decommissioned in two or three years’ time because it is at the end of its life and does not meet current environmental, electrical and RFU standards.*  *Option 2 is to remove the current floodlighting system. Although this removes the energy and maintenance liabilities from the clubs costs it also means the club cannot expand to meet the needs of the growing population and need to provide facilities to accommodate the growing popularity of rugby for women and girls.*  *Option 3 - with Local Authority S106 funding and Sport England funding there is sufficient capital to implement the new floodlighting scheme and provide for maintenance costs for 15 years. The new floodlighting will meet RFU standards, reduce energy and maintenance costs, allow the club to grow to provide for the increased population locally, increase club income and sustainability and provide improved opportunities to play rugby for all age ranges and women’s teams.* |