

**Gym equipment replacement, Fanshawe & Leventhorpe  
Project Initiation Document**

**Project Champion: Head of Customer and Community Services**

**Version: 4**

**Date: 23<sup>rd</sup> September 2011**

**Gym equipment  
replacement,  
Fanshawe &  
Leventhorpe (PID)**

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# Gym equipment replacement, Fanshawe & Leventhorpe Project Initiation Document

## 1. Document Control

### *Document*

<b>Client</b>	Capital Strategy Group
<b>Project</b>	Gym equipment replacement, Fanshawe & Leventhorpe
<b>Document</b>	Project Initiation Document
<b>Author</b>	Mark Kingsland
<b>Published Date</b>	23.9.2011
<b>Version</b>	4

### *Change History*

This document is to be submitted to the project team for approval and signoff. Thereafter amendments are to be approved by the appropriate Change Control processes.

<b>Issue</b>	<b>Date of Issue</b>	<b>Comments / Reason for change</b>
<b>1.00</b>	20.7.2011	Initial Draft
<b>2.00</b>	1.8.11	1 <sup>st</sup> revision, responded to GAR comments
<b>3.00</b>	3.8.11	2 <sup>nd</sup> revision, revised value of capital requested, updated timescale.
<b>4.00</b>	23.9.11	3 <sup>rd</sup> revision, CapEx details revised after discussions with SLM

### *Distribution*

<b>Name</b>	<b>Position</b>	<b>Organisation</b>
<b>Will O'Neill</b>	Head of Customer and Community Services	East Herts Council
<b>Alan Madin</b>	Director of Internal Services	East Herts Council
<b>George Robertson</b>	Director of Customer and Community Services	East Herts Council

### *Abbreviations*

<b>Corporate Management Team – CMT</b> <b>Sport &amp; Leisure Management Ltd - SLM</b>
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## 2. Introduction

Both Fanshawe Pool & Gym and Leventhorpe Pool & Gym are joint provision sites, facilities owned by Herts County Council and managed by SLM as East Herts Council's leisure provider.

Originally, the funding for the replacement of the gym/fitness equipment for both the facilities was included in SLM's Fee Schedule within the Leisure Management Contract. Their business model upon which their bid was based included £27,552, plus depreciation for Leventhorpe and £52,395, plus depreciation, for Fanshawe, spread over the final six years of the contract period.

If the Council is able to fund equipment replacement up to the value of £113,000 the leisure revenue medium term financial plan (MTFP) has the opportunity to show an engineered reduction in the contract payment of £22,100 annually, against the agreed contract fee to SLM from January 2012, generating a gross revenue saving of £154,700 over the remaining seven years of the contract.

The purchase of the required gym equipment will be in the region of £113,000 split between the two sites. Replacement gym equipment at Fanshawe cost; £84,000 from January 2012 and replacement gym equipment at Leventhorpe cost; £29,000 at an agreed date between April 2012 and March 2013.

There is also a trade in value of around £16,500.00 for the existing gym equipment at Fanshawe Pool & Gym.

## 3. Objective

£22,100 annual reduction in contract payments against agreed contract fee to SLM from January 2012, generating a gross revenue saving of £154,700 over the remaining seven years of the contract.

To replace aged gym equipment at Fanshawe Pool and Gym in January 2012 and Leventhorpe Pool and Gym at an agreed date between April 2012 and March 2013.

To allow these facilities to compete, to maintain and develop the service offered to users from the surrounding areas and to encourage residents to lead a healthy lifestyle.

## 4. Scope

### *Inclusions –*

- Specification for new equipment
- Purchase of new equipment, including warranties' etc.
- Removal of the old gym equipment
- Delivery of the new equipment
- Installation and commissioning of the new equipment

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## 5. Description of Work

### Inputs/Outputs

Client side time resource

Equipment Specification

Tendering process

Quotation analysis

Coordination of delivery and gym closure to minimise disruption.

### Deliverables

Appropriate affordable equipment at both sites

### Interfaces

Project Manager/Agent

### Dependencies

Confirmation of timetable

Confirmation of appropriate funding

Appropriate lead time from order to delivery

## 6. Roles and Responsibilities

The project team will be led by the Project Manager. The full project team consists of:

Name	Title and Location	Responsibility
<b>Will O'Neill</b>	Head of Customer and Community Services	Project Champion
<b>Mark Kingsland</b>	Leisure Services Manager – East Herts Council	Project Manager, obtain Capital funding.
<b>Mathew Nicholson</b>	Area Contract Manager, Watford & East Herts - Sports & Leisure Management Ltd	Agent; develop gym equipment specification for both sites; source suitable gym equipment & purchase, arrange removal and installation of new equipment.

## 7. Timescale

Research market August 2011/September 2011

Sign off Project Initiation Document by CMT 15 November 2011

Report to Council / Executive 4 December 2011

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Funding approval December 2011  
Quotation analysis October 2011  
Appoint supplier October 2011  
Installation of equipment, Fanshawe, December 2011

## 8. Conditions/Constraints/Risks

Key factors that will impact on the success of the project are:  
Approval of funding  
Approval of process of procurement  
Lead time between placing of order and delivery of equipment

## 9. Financial Implications

£113,000 Capital required to undertake purchase of suitable equipment, although there is the potential to recoup around £16,500 through the trade in of the existing gym equipment at Fanshawe Pool & Gym.

It is envisaged that additional revenue will be generated at both centres through a mixture of publicity, aesthetic appeal of the new equipment improving the appearance of the gyms in general and the improvement of service offered to new and existing users.

SLM offer a £22,100 annual reduction in contract payments against the agreed contract fee to SLM from January 2012, generating a gross revenue saving of £154,700 over the remaining seven years of the contract.