

APPCT

CAPEX and R&M Budget Programme

for

2010/11

Project Initiation Document

(Truncated for APP Board on 7 June 2010)

17th May 2010

DOCUMENT CONTROL

CHANGE HISTORY

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V0.1	John Barnett		Initial
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REVIEWERS

Version	Reviewer	Role	Date
V0.2	Andrew Gill	General Manager	14/04/10
V0.2	Rebecca Kane	MD of APTL	14/04/10
V0.2	Les Myers	Facilities Manager	14/04/10
V0.2	Stephen Garner	Events & Leisure Manager	14/04/10

APPROVERS

Version	Approver	Role	Date
V1.0	Andrew Gill	Interim General Manager	17/05/10
V1.1A	Andrew Gill	Interim General Manager	26/05/10

DISTRIBUTION

Version	Name	Role
V1.0	Andrew Gill	Interim General Manager
V1.0	Les Myers	Facilities Manager
V1.0	Mark Evison	Parks Manager
V1.0	Rebecca Kane	MD of APTL
V1.0	Stephen Garner	Events & Leisure Manager
V1.0	David Mulford	Construction Procurement Manager LBOH
V1.1A	APP Board	Trustee Board Approval

CONTENTS

1	PROJECT DEFINITION	4
1.1	Description	4
1.2	Objectives (See appendix 2)	4
1.3	Customer Quality Expectation	6
1.4	Exclusions	6
2	PROJECT PLANNING	6
2.1	Approach	6
2.2	Constraints	6
2.3	Assumptions	6
2.4	Change Management Approach	6
2.5	High level milestone plan (See appendix 1)	6
3	PROJECT CONTROLS	7
3.1	Project Team Structure (See appendix 4)	7
	Project Sponsor (PS)	7
3.2	Reporting Arrangements	7
3.3	Project Governance	7
3.4	Change Request Procedure	7
4	QUALITY PLAN	8
4.1	Quality Approach and Responsibilities	8
5	RESOURCES	8
5.1	Time Commitments	8
5.2	Project Budget	8
	RISK LOG	9
6.1	Risk Log	9
7	AUTHORITY TO PROCEED	10
7.1	Sign-off	10

1 PROJECT DEFINITION

1.1 DESCRIPTION

Alexandra Park and Palace Charitable Trust (APPCT) have been allocated a CAPEX dilapidation budget for 2010/11 of £500,000 plus an R&M budget of £1,2377,295. The following document defines the proposed programme of works and spends for the year.

1.2 OBJECTIVES

The objectives for the 2010/11 financial year are as follows:-

1.2.1 CAPEX Expenditure

The £500,000 monies, which represents only half of the requested sum for 2010/11 has been realigned on the basis of the priority of the compliance and depilation works defined within the original bid paper. These are as follows:-

- **EXTERNAL HYDRANT MAIN £20,000 (CODE Y01 02020)**

The proposed installation of a plastic liner into the 250mm ductile has been deferred in this financial year. Following modifications to the pressure control systems and repairs the existing system has proved more reliable. It is now intended to commission a report with Advantica Technologies who are a pipelines expert into the system and to get more detail recommendations on the options we have available in the long term.

- **Fire Alarm Upgrade/Replacement £100,000 (CODE Y01 02020)**

Commission a project to upgrade and replace the existing obsolete and unreliable fire system over the next two years starting with high risk areas.

- **External Building Dilapidations £130,000 (CODE Y01 02027)**

Commission a contract through the LBOH Minor Works Framework Contracts to commence works on the external brickwork condition on the Palm Court and Ice Rink entrances plus the South side of the Palace this financial year.

- **Theatre £50,000 (CODE Y01 02027)**

Commission a structural engineering and building surveyor's report/estimate for the area to identify staged cost options to:-

- Make safe and protect the structure
- Make it a useable facility

To develop an analysis of a Return on Investment (ROI) for the facility

The objective is to develop a project proposal which can be used to seek other streams of funding and clearly identify the staged options that are available for the Theatre (i.e. from basic through to operational facility).

- **Internal Dilapidation Works £100,000 (CODE Y01 02027)**

Commission a contract through the LBOH Minor Works Framework Contracts to address internal dilapidation on the building fabric to safeguard the asset and to support the operation of APTL.

- **UPGRADE OF THE DATA/COMMS CABLING INFRASTRUCTURE £50K (CODE Y01 02020)**

Commission a contract to rewire the data/comm. infrastructure to address obsolescence, dilapidations and speed of the system. This will then provide a platform on which further technical improvements can then be added. (e.g. new telephone system)

- **Contingency Fund £50k**

£50k capital emergency fund to address unforeseen capital purchases by the Trust

1.2.2 Revenue and Maintenance Spend

The £1,237, 295 R&M budget will be used to fund Site Security, Planned and Reactive Maintenance plus a proportion of the utility costs of the site. The term contracts with Europa and Integral are in place until the 31st October 2010, after which the new Integrated Facilities Management contract will be in place at which time the cost plans will need to be reviewed.

- Site Security with term contractor (Code 38390) £ 432,708
Provision of 24/7 site security team across AP
- Planned Maintenance with term contractor ((Code 38400) £331,389
Provision of planned maintenance support to AP but with the Ice Rink elements removed during the construction programme
- Not Committed £13,042
Monies not committed
- Reactive Maintenance (Code 40401) £270,900
Provision of reactive maintenance support to the buildings and landlord services across the site.
- Equipment Maintenance (Code 40402) £116,380
Provision for the planned and reactive repairs to equipment at AP (i.e. not landlord services e.g. boilers)
- Electricity (Code 50500) £31,927
9 % of the electricity cost at AP
- Gas (Code 50501) £ 17,782
9.7 % of the gas cost at AP
- Water (Code 50502) £11,667
28 % of the water cost at AP
- Telecoms (Code 51510) £11,500
Allocate by line cost at AP

1.3 CUSTOMER QUALITY EXPECTATION

The CAPEX will be mainly targeted at the areas of legislative compliance and addressing key areas that could have significant Health and Safety impacts on the site.

Some monies £100k CAPEX will be targeted towards the Trustees responsibilities to maintain the internal fabric in go order and to assist the operation of APTL to deliver its business plans.

Some £116k Revenue will be targeted at supporting APTL operational equipment.

1.4 EXCLUSIONS

In view of the £500k CAPEX budget limit for this financial year the proposed works on the BBC Studios and Ancillary areas has been deferred. Works on building services replacement have also been deferred unless capital cases under the Sustainable Investment Funding programme can be achieved.

2 PROJECT PLANNING

2.1 APPROACH

The programme of works will be project managed by John Barnett who will work in conjunction with LBOH Corporate Procurement Team to utilise their Minor Works Framework Contracts they have in place.

The programme will be managed and reported as a project, with Project Board meetings monthly chaired by the Interim General Manager

2.2 CONSTRAINTS

The works will be managed within the defined cost programme.

2.3 ASSUMPTIONS

The impact of any efficiency savings in the delivery of an Integrated Facilities Management contract will be reviewed later in the financial year once tenders are available.

2.4 CHANGE MANAGEMENT APPROACH

A formalised system of Change Management will be operated on the project. This will be formally recorded by the Project Programme Manager; then reviewed and approved by the Project Sponsor. Information will be communicated to the Project Sponsor through the highlight reporting system each month.

2.5 HIGH LEVEL MILESTONE PLAN (SEE APPENDIX 4 & 5)

The high level milestone plan is detailed in appendix 4 & 5

3 PROJECT CONTROLS

3.1 PROJECT TEAM STRUCTURE

PROJECT SPONSOR (PS)

The project sponsor will be Andrew Gill, Interim General Manager APPCT. The Project Sponsor's responsibility will be to review the project delivery through a formalised project board with monthly highlight reports.

Project Manager (PM)

The project manager will be John Barnett who will manage the project delivery. The project will be strategically programme managed using the Council project management system. This will include an approved PID, costs plan, project and milestone plan and risk assessments. The PM will be responsible for submitting monthly highlight reports to the Project Sponsor.

Stage Management

Support in the delivery of this project will be provided through the LBOH Corporate Procurement Department, utilising their Minor Works Framework Contracts.

3.2 REPORTING ARRANGEMENTS

The PID will be reported to the APPCT Trustees meeting on the 7th June 2010 to seek approval for priorities for capital and revenue spends on dilapidations, repairs and maintenance.

The PID will also be presented to APTL Board meeting

The project board will meet monthly and at Key milestones stages of the project.

Review will take place at the scheduled monthly Facilities Management meeting with APTL

3.3 PROJECT GOVERNANCE

The project will operate under the APPCT policy guidelines and use the Council "Best Practice Procurement & Project Management Procedures".

3.4 CHANGE REQUEST PROCEDURE

A formalised system of Change Management will be operated on the project. This will be formally recorded by the Project Programme Manager; then reviewed and approved by the Project Sponsor. Information will be communicated to the Project Sponsor through the highlight reporting system each month.

4 QUALITY PLAN

4.1 QUALITY APPROACH AND RESPONSIBILITIES

Prior to works being undertaken a detailed project quality plan will be produced against which the project will be monitored.

5 RESOURCES

5.1 TIME COMMITMENTS

The Project Manager will be required to facilitate the project implementation at an estimated effort of 1 day per week.

Support from the LBOH Corporate Procurement team will be required at project setup and commencement

5.2 PROJECT BUDGET (APPENDIX 1 & 2)

The cost plans for the CAPEX are detailed in Appendix 1 and for R&M in Appendix 2.

RISK LOG

5.3 Risk Log

A formal project risk assessment will be compiled separately; the following lists areas of High Risk which could have high impact on the project.

Risk Description	Owner	Impact (H/M/L)	Probability (H/M/L)	Mitigation Plan
Lack of resources to deliver the project.	Prjt Man	H	L	Internal resources have been agreed with IGM
Lack of funding	Prjt Man	H	L	The funding will be managed within the £0.5 Million
Time scales take longer.	Prjt Man	H	M	Utilise LBOH framework contracts to reduce the front end specification and tendering works
LBOH give low priority to works	Prjt Man	M	L	Discussions complete with CPU/CPG and agreements in principle obtained
Other works demands on the budget	Prjt Man	H	M	Good project management and change control procedures.

FULL PROJECT RISK REGISTERS TO BE DEVELOPED WITH EACH PROJECT

6 AUTHORITY TO PROCEED

6.1 SIGN-OFF

Sign-off
Interim General Manager