



ARGYLL & BUTE COUNCIL

OUTLINE BUSINESS CASE FOR SERVICE DEVELOPMENT PROJECTS

DEPARTMENT

Community Services and D & I SERVICE

Community & Culture and
Roads & Amenity Services



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OUTLINE BUSINESS CASE FOR CAPITAL PROJECTS =COST PLAN

DEPARTMENT Community Services and D & I SERVICE Community & Culture and Roads & Amenity Services

Asset Group:

Project Name: Toilet Block and Car Park at Carradale Harbour

Nature of Expenditure (delete as appropriate)

Replacement/Cost Saving/Carbon Management/Expansion

Details of asset being replaced if any:

N/A

Disposal of Asset

Market Value

10000.00

Based on valuation carried out by DVS Property Specialists.

For the long lease option, as opposed to outright acquisition the District Valuer has provided a rental valuation for the grou0

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Revenue Costs

Cost Per Annum
£

Maintenance Cost

Estimate Based upon Sweep / pot hole / empty gullies / pc consumables.

Energy Cost

Estimate for electricity

Estimate based upon PC Cleaner (£3,150 per annum) / non domestic rates / public

34000.00 income less costs
1360 divided by 25 yr lease

Net savings of £1,360 P.A.
suggest a pepper corn
rent £100 P.A. for the
100 asset

Ongoing contract

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BUSINESS CASE LIFE CYCLE COST CALCULATION

<u>ASSET DESCRIPTION</u>	Toilet Block and Car Park at Carradale Harbour		
	Note		£
Initial Cost or Purchase Price	1	10000.00	Based on valuation by DVS. Relining £500
Commissioning or Installation Cost		n/a	incl Est. cost to maintain car park surface £200 pa
Maintenance Cost per Annum	2	0.00	* £6,500
Energy Cost per Annum	2	0.00	* £300
Other Running Costs per Annum	2	0.00	n/a
Useful Life (Years)		25.00	
Discount Rate		2.00%	
Residual Value		10000.00	
Total Life Cycle Cost			
Life Cycle Cost Per Annum			

Notes:

1. Where Initial Cost is calculated over a construction period see Data Sheet
2. For analysis of costs see Data Sheet
3. For the long lease option, as opposed to outright acquisition the District Valuer has provided a rental valuation for the ground and PCs. The figure provided is £750 per annum on the basis of a 25 year lease.

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BUSINESS CASE LIFE CYCLE COST CALCULATION - PRESENT VALUE

<u>ASSET DESCRIPTION</u>	car park and public toilets at Carradale		
		£	
Initial Cost or Purchase Price		10000.00	Based on valuation by DVS or £750 per annum rental.
Commissioning or Installation Cost			
Maintenance Cost per Annum		6500.00	
Energy Cost per Annum		300.00	Estimated
Other Running Costs per Annum		0.00	Estimated
Residual Value		7809.38	
Present Value Life Cycle Cost			

LIFE CYCLE COST CALCULATION WORKSHEET

1. Construction Cost of Asset 10000.00

2. Construction Period (months) 2.00%

3. Discount Rate 0.00

4. Present Value 0.00

5. Construction Period in Years 0.00

6. Maintenance Cost per annum Analysis

Planned Repairs	
Emergency Repairs	
Abnormal Repairs	
Cleaning	

Total Maintenance Cost per Annum 0

7. Energy Costs per annum Analysis

Oil	
Gas	
Electric	
Other	

Total Energy Cost per annum 0

8. Other Running Costs per annum Analysis

Total Other Running Costs per annum 0

Argyll & Bute Council -

			RISK ASSESSMENT					
Ref	Category	Risk Description	Chance	Impact	Score	Risk Level	Risk Lead	Mitigating Action
1	strategic & financial	No strategic risk. Ongoing grounds maintenance liability. Cost to remove structure.	3	1	3	Red/ Green/ Amber		Disposal to community group.
2	operational	The property is no longer operated as a public convenience.	1	1	1	Red/ Green/ Amber		N/A
3	statutory	Planning/Building Standards Conditions	1	5	5	Red/ Green/ Amber		Community Group would need to obtain consents to develop the site. The Council would

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BENCHMARKING SHEET FOR SERVICE DEVELOPMENT
AND STRATEGIC CHANGE PROJECTS AT OBC STAGE

DEPARTMENT Community Services and D & I SERVICE Community & Culture and Roads & Amenity Services

Asset Group: _____

Project Name: Toilet Block and Car Park at Carradale Harbour

Target

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Project Risk

List of risks identified at OBC/FBC stage. Show new risks and whether any risks materialised how they were managed and their impact. Summarise if risks managed effectively.

See attached Risk Log sheet. No new risks have been identified.

Overall Project Summary.

Third sector organisation wish to take over responsibility for public toilets and car park which is currently maintained by the Council. Ongoing maintenance liabilities, for both the car park and public convenience, would be transferred across to the new operator thereby allowing the Council to reduce future revenue maintenance costs. The lease must be worded to ensure that, in future, full access to both the pc and car park will be available to the public. Recycling area to remain in its present location with full access available for use by public and emptying by contractor. There may be some limited scope to reduce car park spaces, but this will have to be based on an agreed formula, using historical data, which ensures that car parking availability, at times of high demand, is not compromised. A Council employee currently carries out cleaning duties at the public convenience. Entrances to the car park act as passing places these must be fully maintained in their present condition. Space and access to recycling