Cambuslang Rugby Football Club (CRFC) Gym Project Initiation Document

1. Executive Summary

Cambuslang Rugby Football Club (CRFC) seeks to transform its underutilized and financially inefficient former squash court building, currently leased as a commercial gym, into a dedicated club strength and conditioning (S&C) facility. The current month-to-month lease agreement is becoming financially disadvantageous due to rising electricity costs and neglected repairs. This project aims to provide state-of-the-art S&C facilities for adult and youth players, align with Scottish Rugby Union (SRU) development goals, and create new, sustainable income streams for the club. Options considered include refurbishment of the existing building, expansion, or a new purpose-built facility, with a strong focus on securing grant funding and community engagement.

2. Club Description

Cambuslang Rugby Football Club (CRFC) is a community sports club approaching its 125th anniversary. In the 1960's it constructed a building adjacent to the clubhouse containing two squash courts. This building has since been leased out as a gym, with the current tenant operating on a month-to-month agreement since 2016.

The club is committed to player development from youth levels upwards and recognizes the importance of modern training facilities.

3. Problem Statement

The current arrangement for the gym building presents several challenges:

- Ineffective Business Model: The initial rental income of £5,000 per annum has risen to £12,000 per annum, but this includes electricity costs. The gym's shift to 24/7 operation has significantly increased power consumption, especially in winter, eroding the net rental income.
- Neglected Repairs: The former lease stipulated a repairing obligation, which has not been met, leading to clear damage to the building's fabric, including doors and woodwork.
- Lack of Club S&C Facilities: Previous attempts to provide 1XV players with gym access have failed. Despite SRU's emphasis on S&C programs from youth levels, CRFC lacks a dedicated facility, forcing the junior section to use an external gym in East Kilbride.
- Risk of Tenant Departure: The current tenant operates on a month-to-month basis, and there is a risk they may vacate the premises, leaving the club with a dilapidated building and no income stream.

Project Initiation Document (PID): Cambuslang Rugby Football Club (CRFC) Gym Project

1. Introduction

**To be confirmed*

This document outlines the initiation of the Cambuslang Rugby Football Club (CRFC) Gym Project, aimed at addressing the future of the club's gym building. It details the background, current challenges, potential opportunities, and various options for developing the facility to benefit the club and its members.

2. Background

The building, originally constructed in the 1960s as squash courts, was leased out as a gym in 2003. The current tenant's lease expired in 2016, operating on a month-to-month basis. The current rental income is £12,000 per annum, which includes electricity costs.

Key Issues Identified:

- **Financial:** Concerns exist regarding increased electricity costs due to the gym's 24/7 operation, which are not factored into the current rental agreement, potentially impacting the £12,000 income.
- **Maintenance:** The former repairing lease has not been complied with, leading to clear damage to the building's fabric, including doors and woodwork. An inspection is planned.
- **Strategic Alignment:** Past attempts to provide 1XV players with gym access have failed. The Scottish Rugby Union (SRU) strongly advocates for club strength and conditioning (S&C) programs from youth level upwards, a direction other clubs are successfully pursuing. The CRFC Junior section already has a successful S&C program.
- **Risk:** There is a significant risk that the current tenant may vacate the premises, leaving the club with a damaged building and no income stream to offset repair or refurbishment costs.

3. Project Ambition and Objectives

The overarching ambition is to develop the gym building into a valuable club asset that supports strength and conditioning for adult and youth players, generates income, and benefits the wider club and local community.

Specific Objectives:

- To examine the possibilities of terminating the current tenant arrangements.
- To refurbish the fabric of the gym building.
- To develop a clear business plan for a club-run gym.

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- To deliver strength and conditioning programs to adult and youth players.
- To explore opportunities for community engagement and additional income generation.

4. Scope

In Scope:

- Assessment of the current gym building's condition and required repairs.
- Exploration of various development options for the building (refurbishment, expansion, demolition, new build).
- Development of a business plan for a club-run gym.
- Investigation of potential funding opportunities (e.g., SRU grants, Business Energy Scotland, South Lanarkshire Council).
- Obtaining quotes and estimates for proposed works.
- Consideration of shared use models and community engagement.

Out of Scope:

- Day-to-day management of the existing tenant agreement beyond strategic termination discussions.
- Detailed architectural designs or construction plans at this initial stage.

5. Key Stakeholders

- Cambuslang Rugby Football Club (CRFC) Committee and Members
- Current Gym Tenant
- Scottish Rugby Union (SRU)
- South Lanarkshire Council (for rates, planning, and potential grants)
- Business Energy Scotland (for potential grants)
- Local Community, Schools, and Associated Club Sections (Harriers, GAA)
- Professional contractors (builders, electricians, plumbers, gym fitters, demolition experts)

6. Decision Options

Members are invited to consider the following options for the future of the gym building:

Option 1: Do Nothing

- **Description:** Continue with the current month-to-month tenant agreement without making any changes or investments.
- **Implications:**
    - Continued risk of the tenant vacating, leaving a building in disrepair with no income.
    - Diminishing ability to raise rent to an appropriate level.
    - Failure to align with SRU's S&C development goals.
    - No improvement in club facilities or new income streams.

Option 2: Existing Building Upgrade (Refurbishment)

- **Description:** Repair and refurbish the current building to create a modern club gym and multi-purpose facility.
- **Key Features:**
    - Repair of building fabric, electrical system, and plumbing.
    - Extension of the new club heating and hot water system to the gym.
    - Installation of new LED lighting (potential grant from Business Energy Scotland).
    - Reconfiguration of interior space:
        - Dedicated strength and conditioning space in one former squash court.
        - Potential small fitness hall in the other squash court.
        - Upgraded toilet/changing facilities.
        - Upper floor for meeting room, classroom, physiotherapy suite, or café space.
    - Roof repairs: Flat roof repair, covering of asbestos sheets (quote obtained).
    - Installation of south-facing solar panels (quote to be obtained).
    - Exterior repairs: Doors, repainting, replacement of floodlights with modern LED fittings (solar-powered option).
    - Internal painting refresh.
    - Installation of a double EV charging point at the rear.
- **Estimated Costs:**

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- For a standard commercial refurbishment, gym renovation costs typically range from £1,200 to £2,500 per square metre in the UK, with an average around £1,600. The total cost can vary significantly depending on the project's scope, location, and the quality of finishes. A figure of £291,200* based on 182 sq. metres might be achievable.
- **Potential Benefits:** Improved facilities, new income streams (fitness hall, upper floor lets, EV charging), alignment with SRU goals, potential grant funding.
- **Next Steps:** Obtain 3 quotes for building work and gym fitting.

Option 3a: Expansion (Attach a Small Steel Barn Structure)

- **Description:** In addition to potentially upgrading the existing building, attach a small steel barn structure (15m x 8m x 4.5m, 120 sqm) to the grassed area adjacent to the 1XV pitch.
- **Key Features:**
    - Links into the existing building at the mezzanine level.
    - Direct access from pitches and training area.
    - Could augment rugby training or provide cover in adverse weather.
    - Artificial grass on compacted sand floor with boot cleaning traps.
- **Estimated Costs:** Circa £25,000* for a basic building with lighting.
- **Potential Benefits:** Additional training space, weather protection, relatively low cost for additional space.

Option 3b: Expansion (Attach a larger Steel Barn Structure)

- **Description:** In addition to potentially upgrading the existing building, attach a larger steel barn structure (13.5m x 13.5m (182.25 sqm) to the rear of the existing building built in line with existing roof profile.
- **Key Features:**
    - Links into the existing building.
    - Direct access from pitches and training area.
    - Could augment rugby training or provide cover in adverse weather.

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- **Estimated Costs:** Circa £75,000* for a basic building with lighting.
- **Potential Benefits:** Improved facilities, new income streams (fitness hall, upper floor lets, EV charging), alignment with SRU goals, potential grant funding.

Option 4: Demolition

- **Description:** Demolish the existing building.
- **Sub-options:**
    - Increase car park space.
    - Rebuild a more suitable building (see Option 5: New Build).

- **Estimated Costs:**
    - Demolition and clearing of the site: £32,900 (ex-VAT).
    - Asbestos roof removal: Circa £5,000 (ex-VAT).
    - Asbestos roof removal and replacement with timber felt covered roof: £29,160 (ex-VAT).
    - Covering and re-sheeting of asbestos roof with metal cladding: £24,899 (ex-VAT).
- **Implications:**
    - Club responsible for service disconnections, demolition warrant/planning applications, temporary works design, and potentially asbestos removal.
    - Prohibitive cost with no immediate potential to increase revenue if only increasing car park space.

Option 5: New Build (Demolish and Replace)

- **Description:** Demolish the existing building and replace it with a purpose-built training barn incorporating a Strength and Conditioning (S&C) suite.
- **Key Features:**
    - Footprint: Existing 13.5m x 13.5m (182.25 sqm) or expanded to 14m x 18m (252 sqm).
    - Apex height: Circa 4.5m.
    - Designed to avoid "wet trades" for faster construction.
    - Good insulation, air tightness, heating, lighting, effective ventilation, and roof light panels.

**To be confirmed*

    - Inclusion of Photovoltaic (PV) panels with battery storage to offset energy costs.
    - Potential for community hall hire, enhanced membership contributions, school lets, and a physiotherapy suite.
- **Estimated Costs:** Steel building prices may start around £100,000 (excluding groundworks and internal specifications). Planning permission circa £2,500, plus professional fees.
- **Potential Funding:** A fully specified new build could potentially be achieved within the £250,000 SRU grant. Grant funding for PV and battery costs may also be available from South Lanarkshire Council.
- **Action:** Early discussion with planners to understand their views. Obtain fully detailed plans and costs for groundworks, building style/layout, power, heating, lighting, plumbing, drainage, PV, and battery.

7. Next Steps

To gain a clear understanding of the associated costs and prepare for any potential bid to the SRU, the following actions are proposed:

- Seek quotes/estimates for all envisaged work across the New Build, Demolition, and Existing Building Upgrade options.
- Obtain a fully detailed plan on costs for:
    - **New Build:** Groundworks, building style and layout, power, heating and lighting, plumbing and drainage, photovoltaic and battery.
    - **Existing Building Upgrade:** New roof, asbestos removal, power, heating and lighting, plumbing and drainage, painting/decorating, repairs and renewals, photovoltaic and battery.
    - **Extension to existing building:** Either to the side grassed area or to the back potentially built to the same roof profile, power, heating and lighting, plumbing and drainage, photovoltaic and battery.
- Members are invited to consider the matters raised in this PID to determine the preferred way forward.

**To be confirmed*

Business Case Framework: Option 3b - Attach a Steel Barn Structure to existing upgraded Gym (Potentially Phase 2 of improvement project)

1. Executive Summary

This business case outlines the proposal attach a steel barn structure to the existing gym building to construct a purpose-built training barn incorporating a Strength and Conditioning (S&C) suite. This option addresses the current building's structural and financial challenges, aligns with Scottish Rugby Union (SRU) strategic objectives for player development, and offers significant opportunities for increased revenue generation and community engagement. The estimated costs and potential funding sources, including a significant SRU grant, are detailed, demonstrating a viable path to a modern, self-sustaining facility.

2. Problem Statement

**To be confirmed*

The current gym building presents several challenges:

- **Deteriorating Condition:** The building's fabric is damaged, and the former repairing lease has not been complied with, necessitating significant repair and renewal.
- **Financial Instability:** The current rental income of £12,000 pa is threatened by rising electricity costs due to 24/7 operation, which are not factored into the rent. There is a risk of the tenant vacating, leaving the club with a dilapidated building and no income stream.
- **Inadequate Facilities:** The existing structure is not optimally configured for modern S&C programs, hindering player development and limiting income generation potential.
- **Lack of Strategic Alignment:** The current setup does not support the SRU's emphasis on S&C programs from youth level up, a key area for club development.

3. Proposed Solution: Refurbish Existing Building and attach a purpose-built steel extension – (may be considered as phase 2 of a refurbishment project)

This option proposes the refurbishment of the existing building and attaching a purpose-built training barn.

Key Features:

- **Footprint:** Expand the existing footprint of circa 13.5m x 13.5m (182.25 sqm) or be expanded to 13.5m x 27m (364.5 sqm).
- **Design:** Roof in line with existing structure, designed to avoid 'wet trades' for faster construction.
- **Energy Efficiency:** Include good insulation, a reasonable degree of 'air tightness', effective heating, lighting, and ventilation. Consideration for light panels in the roof construction to reduce lighting costs.
- **Renewable Energy:** Inclusion of Photovoltaic (PV) panels on the roof with battery storage to offset energy costs.
- **Internal Configuration:** Incorporate a dedicated Strength and Conditioning (S&C) suite. Potential for community hall hire, enhanced membership contributions, school lets, and a physiotherapy suite.
- **Planning:** Requires planning permission and early discussion with planners.

4. Strategic Alignment

- **SRU Vision:** Directly supports the SRU's drive for clubs to develop S&C facilities, aligning with the success of the Junior section's current S&C program.

**To be confirmed*

- **Player Development:** Provides state-of-the-art facilities for adult and youth players, enhancing strength, conditioning, and overall performance.
- **Club Asset:** Transforms a problematic asset into a modern, functional, and income-generating facility.
- **Community Engagement:** Offers opportunities for local community use, school lets, and collaboration with associated club sections.

5. Benefits

Financial Benefits:

- **Increased Income:** Potential for significant income generation from community hall hire, enhanced membership contributions, school lets, and physiotherapy suite rental.
- **Reduced Operating Costs:** PV panels with battery storage will offset energy costs.
- **Grant Funding:** Strong potential to secure the ~£250,000 SRU grant and additional grants from South Lanarkshire Council for PV/battery costs.
- **Long-term Asset Value:** Creation of a modern, energy-efficient building with a longer lifespan and lower maintenance burden compared to the existing structure.

Business Case Framework: Option 5 - New Build (Demolish and Replace)

1. Executive Summary

This business case outlines the proposal to demolish the existing gym building and construct a new, purpose-built training barn incorporating a Strength and Conditioning (S&C) suite. This option addresses the current building's structural and financial challenges, aligns with Scottish Rugby Union (SRU) strategic objectives for player development, and offers significant opportunities for increased revenue generation and community engagement. The estimated costs and potential funding sources, including a significant SRU grant, are detailed, demonstrating a viable path to a modern, self-sustaining facility.

2. Problem Statement

The current gym building presents several challenges:

- **Deteriorating Condition:** The building's fabric is damaged, and the former repairing lease has not been complied with, necessitating significant repair and renewal.
- **Financial Instability:** The current rental income of £12,000 pa is threatened by rising electricity costs due to 24/7 operation, which are not factored into the rent. There is a risk of the tenant vacating, leaving the club with a dilapidated building and no income stream.

**To be confirmed*

- **Inadequate Facilities:** The existing structure is not optimally configured for modern S&C programs, hindering player development and limiting income generation potential.
- **Lack of Strategic Alignment:** The current setup does not support the SRU's emphasis on S&C programs from youth level up, a key area for club development.

3. Proposed Solution: New Build (Demolish and Replace)

This option proposes the demolition of the existing building and its replacement with a purpose-built training barn.

Key Features:

- **Footprint:** Occupy the existing footprint of circa 13.5m x 13.5m (182.25 sqm) or be expanded to 14m x 18m (252 sqm).
- **Design:** Apex height of circa 4.5m, designed to avoid 'wet trades' for faster construction.
- **Energy Efficiency:** Include good insulation, a reasonable degree of 'air tightness', effective heating, lighting, and ventilation. Consideration for light panels in the roof construction to reduce lighting costs.
- **Renewable Energy:** Inclusion of Photovoltaic (PV) panels on the roof with battery storage to offset energy costs.
- **Internal Configuration:** Incorporate a dedicated Strength and Conditioning (S&C) suite. Potential for community hall hire, enhanced membership contributions, school lets, and a physiotherapy suite.
- **Planning:** Requires planning permission and early discussion with planners.

4. Strategic Alignment

- **SRU Vision:** Directly supports the SRU's drive for clubs to develop S&C facilities, aligning with the success of the Junior section's current S&C program.
- **Player Development:** Provides state-of-the-art facilities for adult and youth players, enhancing strength, conditioning, and overall performance.
- **Club Asset:** Transforms a problematic asset into a modern, functional, and income-generating facility.
- **Community Engagement:** Offers opportunities for local community use, school lets, and collaboration with associated club sections.

5. Benefits

Financial Benefits:

**To be confirmed*

- **Increased Income:** Potential for significant income generation from community hall hire, enhanced membership contributions, school lets, and physiotherapy suite rental.
- **Reduced Operating Costs:** PV panels with battery storage will offset energy costs.
- **Grant Funding:** Strong potential to secure the ~£250,000 SRU grant and additional grants from South Lanarkshire Council for PV/battery costs.
- **Long-term Asset Value:** Creation of a modern, energy-efficient building with a longer lifespan and lower maintenance burden compared to the existing structure.

Operational Benefits:

- **Optimized Space:** Purpose-built design for S&C and other activities, maximizing utility and efficiency.
- **Improved Training Environment:** Enhanced facilities for player development and coaching.
- **Reduced Maintenance:** New construction will significantly reduce ongoing repair and maintenance issues associated with the old building.

Member & Community Benefits:

- **Enhanced Member Experience:** Access to high-quality S&C facilities for all playing members.
- **Community Hub:** Potential to serve as a valuable resource for the local community, fostering engagement and partnerships.
- **Attraction & Retention:** Modern facilities can attract new members and retain existing ones.

6. Costs

Indicative Costs (subject to detailed quotes):

- **Demolition & Site Clearance:** £32,900 (ex-VAT) (Club responsible for service disconnections, planning, temporary works, and potentially asbestos removal).
- **Asbestos Roof Removal:** Circa £5,000 (ex-VAT) (not part of demolition quote).
- **New Steel Building:** Prices may start around £100,000 (excluding groundworks and internal specifications).
- **Planning Permission:** Circa £2,500.

**To be confirmed*

- **Professional Fees:** To be determined (e.g., architects, structural engineers).
- **Groundworks:** To be determined (will increase with larger building footprint).
- **Internal Specifications:** To be determined (e.g., S&C equipment, fit-out for physiotherapy suite, changing rooms).
- **Power, Heating, Lighting, Plumbing, Drainage:** To be determined.
- **Photovoltaic (PV) and Battery System:** To be determined.

Total Estimated Cost: A fully specified new build could potentially be achieved within the ~£250,000 SRU grant, but detailed quotes are essential.

7. Funding Strategy

- **SRU Grant:** Primary funding source, with a potential of ~£250,000 available for such projects.
- **South Lanarkshire Council Grants:** Potential funding for PV and battery costs.
- **Club Funds:** Contribution from club reserves or fundraising efforts.
- **Community Contributions:** Potential for local community support and fundraising.
- **Business Energy Scotland (BES):** While not explicitly for new builds, BES grants for energy efficiency might be explored for specific components like PV.

8. Revenue Generation

- **Membership Contributions:** Potential for enhanced membership fees or specific S&C program fees.
- **Community Hall Hire:** Rental of the facility for fitness classes, events, or other community activities.
- **School Lets:** Agreements with local schools for S&C or other facility use.
- **Physiotherapy Suite Rental:** Leasing out the dedicated suite when not required by the club.
- **EV Charging Points:** While not part of the new build structure itself, the document mentions potential for self-financing/profit-generating EV charging points at the rear of the building, which could be integrated into the overall site development.

9. Risks

- **Cost Overruns:** Unforeseen groundworks, material costs, or construction delays could exceed budget.

**To be confirmed*

- **Planning Permission:** Delays or refusal of planning permission.
- **Funding Shortfall:** Failure to secure the full SRU grant or other anticipated funding.
- **Tenant Termination:** Potential legal or financial implications related to terminating the current tenant's agreement.
- **Operational Challenges:** Difficulty in managing and marketing the new facility to achieve projected income.
- **Asbestos Removal:** Unforeseen complexities or costs associated with asbestos removal during demolition.

10. Key Success Factors

- **Securing SRU Grant:** Critical for the financial viability of this option.
- **Effective Project Management:** Efficient oversight of demolition, construction, and fit-out.
- **Strong Business Plan:** A robust plan for facility operation, marketing, and income generation.
- **Community Engagement:** Successful integration with local schools and community groups.
- **Stakeholder Buy-in:** Strong support from club members and leadership.

11. Recommendation

Given the long-term strategic benefits, potential for significant grant funding, and the opportunity to create a modern, self-sustaining asset, the New Build (Demolish and Replace) option is a strong contender. It directly addresses the current building's deficiencies and aligns with the club's and SRU's vision for player development and community engagement. Further detailed costings and planning discussions are recommended to validate its feasibility.

**To be confirmed*