

Appendix X – New Community Development Due Diligence Questions and Considerations

Which Recreation Ground/Green Space

- Why this specific location
- accessibility for visitors/modes of public transport/parking provision
- Are there any similar facilities locally/how far away is the closest
- How will competition be addressed
- Why do you consider there is a need for this type of facility in this location
- What is the catchment area and number of residents you propose the facility will serve, how much of this catchment and how many residents live within walking distance ie 1/2 a mile of the location

Financial Business Case

- Who will the operator be
- What is the financial strength and experience of the operator
- Will the operator have experience of developing as well as operating the proposed facility
- Are previous year financial accounts available for assessing profit and loss and balance sheet strength
- A Medium Term Business Plan will need to set out annual and projected income and operational costs
- Whilst we cover the business case in more detail below, how will the venture be funded

Building Size and Design

- What size building will be required, in terms of floor area and height
- What type of construction is the building intended to be
- Does the building design and size comply with planning requirements
- Will you use consultants to produce scaled plans and construction costs for the building
- What specialist advice and surveys will be required to obtain planning approval and deliver the building
- Will the design and materials of the building be sustainable and address climate change requirements
- What is your approach to meeting or exceeding Biodiversity Net Gain legislative requirements

Medium Term Business Case

- A business plan will need to demonstrate an understanding of and provide realistic budget projections to make allowance for annual running costs of the building including but not limited to, NNDR, utility costs, insurances, repairs and maintenance, health and safety and statutory compliance
- Will there be provision for reserves to be built up for future refurbishment/improvement projects for the facilities
- Consideration of plans to grow usage and increase turnover
- What provision will be made for seasonal trade and reduced turnover in bad weather/out of season when costs will not reduce in line with drops in income
- What will your customer base be

Funding Sources & Legal Structure

- How will capital and operational funding costs be met, what provision will be made for contingency costs
- Will the facility generate sufficient income from fees & charges without the need for continued external funding
- What ownership structure is proposed for a new building
- Is a specific length of lease required specifically if external funding is sought
- What legal entity will be the owner/operator of the building and business
- What would happen if the business failed

Staffing/Management and operation

- What are the proposed operating hours of the facility
- How will the facility be staffed ie volunteers or salaried staff
- What security measures will be in place out of opening hours ie on call staff, out of hours security etc
- What support would you require from the Council

