



Belfast City Council

Report to:	Strategic Policy & Resources Committee
Subject:	Capital Programme: Mountain Tea House
Date:	18 February 2011
Reporting Officer:	Gerry Millar, Director of Property & Projects
Contact Officer:	Michael Stanley, Capital Programme Manager

Relevant Background Information	
	<p>The Committee is reminded that the Zoo's Mountain Tea House was destroyed in a fire in June 2009, that the design and procurement process for the replacement building is underway and the expenditure incurred (less excess) should be reimbursed through an insurance claim.</p> <p>The insurance policy permits only minor changes to the structure, hence the intention was to replace like for like; however, at its meeting on 10 February 2010, the Parks & Leisure Committee noted that:</p> <ul style="list-style-type: none">• zoo visitor numbers have significantly increased since the facility was originally constructed;• that an extension to the external patio area would provide additional seating for visitors with a resulting increase in income generation; <p>and has approved, from a service perspective, a recommendation for an extension to the patio area at the Zoo's Mountain Tea House facility and to commend it to the Strategic Policy and Resources Committee for consideration as a variation to the proposal currently included in the Capital Programme.</p> <p>The opportunity now exists, at this point of the procurement process, to incorporate this increased seating capacity into the reinstatement contract at a reasonable and competitive cost.</p>

Key Issues	
	The estimated cost for this work is £58,000.

	<p>Visitor numbers have risen from 210,830 in 2005 to 304,085 in 2009, an increase of 44% in 4 calendar years.</p> <p>The Zoo Manager estimates that the expected income would increase by £10,000 per annum, proposal giving a payback period of 5.8 years.</p> <p>The key issue for the Committee is whether it wishes to support these additional works from a financial perspective.</p> <p>The Committee is therefore asked to consider two options:</p> <ol style="list-style-type: none"> 1. agree to the proposal to incorporate an extension to the external patio area at the Mountain Tea House, at an additional estimated cost of £58,000 to be financed from capital; or 2. reject the proposal and proceed with the like for like replacement facility only.
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	Equality Implications
	There are no equality implications.

	Recommendations
	Although the payback period for this spend-to-save proposal is 5.8 years it will bring longer term savings over the whole operational life of the facility and the Committee is therefore recommended to approve, from a financial perspective, the extension to the patio area at the Zoo's Mountain Tea House facility as a variation to the existing proposal, subject to confirmation through the Gates Process of the anticipated benefits.

	Decision Tracking
	This project will be included in capital monitoring reports which are regularly presented to the Committee.

	Key to Abbreviations
	none

	Documents Attached
	none