



Oversight and Governance

Chief Executive's Department
Plymouth City Council
Ballard House
Plymouth PL1 3BJ

Please ask for Ross Jago
T 01752 668000
E ross.jago@plymouth.gov.uk
www.plymouth.gov.uk
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CABINET

Tuesday 9 October 2018
2 pm
Council House, Plymouth

Members:

Councillor Evans OBE, Chair

Councillor P Smith, Vice Chair

Councillors Haydon, Coker, Dann, Lowry, McDonald, Penberthy, Jon Taylor and Tuffin.

Members are invited to attend the above meeting to consider the items of business overleaf.

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Tracey Lee

Chief Executive

Cabinet

- 8. The Box** (Pages 1 - 18)
- 11. Early Years Resilience** (Pages 19 - 24)
- 13. EXEMPT BUSINESS**

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

At the time this agenda is published no representations have been made that this part of the meeting should be in public. (Members of the public to note that, if agreed, you will be asked to leave the meeting).

PART II (PRIVATE MEETING)

Agenda

MEMBERS OF THE PUBLIC TO NOTE that under the law, members are entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed

- 15. The Box** (Pages 25 - 42)

PLYMOUTH CITY COUNCIL

Subject:	The Box Exhibition Fit-out Contractor's Appointment.
Committee:	Cabinet
Date:	9 October 2018
Cabinet Member:	Councillor Peter Smith, Deputy Leader
CMT Member:	Anthony Payne, Strategic Director for Place
Author:	Gareth Simmons, Strategic Projects Director
Contact details	Tel: 01752 307161 Email: gareth.simmons@plymouth.gov.uk
Ref:	20180905
Key Decision:	Yes.

Part: I

Purpose of the report:

This report seeks approval to the letting of the major exhibition fit-out contract following a recent EU compliant tender process. The report will also inform Cabinet on the progress of The Box programme.

Corporate Plan**A GROWING CITY**

The proposals are aimed at stimulating and meeting the demand for a growing visitor economy in Plymouth by creating a new cultural visitor destination that will engage residents, attract visitors and reposition Plymouth nationally. We will create a new enterprise that will be a regional and national showcase for the delivery of culture and, in doing so, give confidence to external agencies such as Arts Council England and The National Archives. It will act as a positive showcase of the Plymouth brand in the wider public realm.

The Box will contribute to the Corporate Plan by:

- Delivering 500 quality jobs and valuable skills, driving social value and supporting inclusive growth in both the construction market but long term in the visitor economy
- regenerating a tired back street into a major new cultural hub and public square that promotes a vibrant city life
- Increasing levels of investment from external national funders by over £23m
- Increasing earned income by a factor of six to make a sustainable venture
- Increasing visitor numbers from 80,000 to 250,000
- Replacing ageing and failing cultural buildings regenerating the city's infrastructure.
- Transforming Plymouth as a destination challenging perceptions regionally and nationally
- Supporting local procurement and local jobs with a skilled workforce in the construction, heritage and the visitor economy
- Providing training and apprenticeships for young people
- Creating the most significant cultural attraction opening in the UK in 2020

A CARING COUNCIL

This project will create a safe place for children, young people and adults. The proposals will address existing shortcomings that are a barrier for some groups from entering a number of buildings that currently house the city's cultural collections. We will ensure that the galleries represent a range of voices and are truly inclusive. The proposals will deliver an improved learning programme for schools and young people, and will focus on the communities in the city.

The Box will contribute to the Corporate Plan by:

- Offering exhibitions and services that focus on dementia, making it a dementia friendly location
- Offering a safe location for children and adults to visit
- Offering high specification facilities to boost the city as an inclusive community
- Working constructively with audiences and stakeholders so reaching over 100,000 people in its consultations
- Adapting the Arts and Heritage Service to offer even higher quality services focused on customers' needs
- Developing new ways of working to reach wider audiences
- Listening to people through consultation and respecting their wishes with over 40,000 people engaged in 2018
- Demonstrating that the Council is making decisions driven by citizen wishes
- Engaging new volunteers
- Building confidence and civic pride in individuals and communities

Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land

This report confirms the conclusion of the tender exercise for an exhibition fit-out contractor and recommends the appointment of The Hub Construction Ltd for a contract value of £4,985,706. It confirms the capital envelope required to appoint them, now that a price for the contract has been negotiated, following tender submission and value engineering. An adjustment of £2.2m will be made in the capital programme to accommodate the outcome of the tender process and allow the Council to let the exhibition fit-out contract. A separate executive decision will make the necessary adjustment to the capital programme.

Additional funding is being sought from Arts Council England (ACE) and there is an application being considered by the Coastal Communities. Both these applications would reduce the pressure and discussions with the funders are promising. If these are achieved the impact would be to reduce the capital programme borrowing by between £500k and £1.4m.

The income received from external sources amounts to £23.2m and is 47% of the total cost of the Programme.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

The current buildings used to store the collections are not fit for purpose and there are a number of health and safety matters that will be resolved with this programme of investment.

Disabled access to cultural services including the Record Office, old Museum and Art galleries, South West Film and Television Archives and the South West Image Bank has been restrictive for many years. Investment to The Box buildings will bring all these services together and resolve disabled access.

The construction projects for both the building and the exhibition involve a number of high risks, including reputational risks, so it has been important that professional support has been appointed at all stages of the project to be mindful of the hazards.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? Yes

Recommendations and Reasons for recommended action:

It is recommended that Cabinet, having considered this report and the accompanying Part II tender reports, appoint The Hub Construction Ltd to deliver the permanent exhibitions fit-out of the Box for a contract value of £4,985,706. Subject to delegated decision by the Leader to adjust the Capital Programme.

Alternative options considered and rejected:

Throughout The Box programme, options have been considered at every stage. Chiefly, at this stage in the programme, the key options are whether to cut back on the programme and accept it delivers less, its scope is less ambitious and the impacts of benefits are reduced; or whether to push ahead with the ambition of truly making a step change in the cultural offer in the city and deliver a visitor attraction and Arts and Heritage service that the city can be proud of. To date, the option of reducing ambition to curb costs has been rejected.

Published work / information:

[3 September 2013 Cabinet paper](#)

[Published decision of decanting dated 31 July 2015](#)

[Published decision to appoint Atkins dated 10 October 2014](#)

[13 October 2015 Cabinet Paper](#)

[Published Executive Decision 4 April](#)

[Published Executive Decision 15 July](#)

[8 November 2016 Cabinet Paper](#)

[17 June 2017 Executive Decision](#)

Background papers:

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	
Equalities and Impact Assessment	Yes									
Executive Decision	Yes									
Tender Report		Yes			X					

Sign off:

Fin	SA181 9.107- 4.10.18	Leg	MS/3 1336	Mon Off		HR		Assets		IT	NA	Strat Proc	SA1819. 107- 4.10.18
Originating SMT Member Anthony Payne, Senior Responsible Officer David Draffan													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

1. Introduction

- 1.1. The purpose of this report is to (1) update on the outcome of the procurement process for the exhibition fit out contract which has been tendered through an EU procurement process and seeks Cabinet's permission to let the exhibitions fit-out contract and (2) inform Cabinet of the progress of The Box Programme including an outline of the work being undertaken since the last executive decision in June 2017, as well as consider how the ambition for the project has grown.
- 1.2. A separate Executive Decision will be made to adjust the capital programme, which is to be read in conjunction with this Cabinet paper on the Exhibition Procurement.

2. Background

- 2.1. The Box, originally known as the History Centre, has been a key city priority since 2013, when the Council decided to make a major Heritage Lottery Funding application to conserve and improve access to the city's heritage assets.
- 2.2. The Box brings together a unique combination of cultural partners and heritage collections including the City Museum and Art Gallery, the Plymouth and West Devon Record Office, the local history collections of the Central Library, the South West Film & Television Archive, the South West Image Bank, Plymouth University (including the Arts Institute), the Naval Heritage Centre, the British Broadcasting Company and Plymouth College of Art.

3. Exhibition Fit-Out Contract Procurement

- 3.1. Detailed exhibition designs and production information were prepared by Event Communication and the quantity surveyors P.T. Projects Ltd. These details were used to procure a fit-out contractor that will deliver set works, showcases, audio and visual interactives including hardware projection and software.
- 3.2. A competitive procurement was run following the 'Restricted' process, subject to the Public Contracts Regulations 2015 which complied with EU requirements. OJEU Contract Notice 2018/S 111-252126 published on 11/06/18. This is a two stage process comprising a Standard Selection Questionnaire (SQ) followed by an Invitation to Tender (ITT)
- 3.3. A Standard Selection Questionnaires (SQ) was issued to the market on the 13th June 2018 with a return date of the 13th July. The Council set minimum requirements in the SQ that each supplier was required to meet. These minimum requirements contained mandatory questions, which were either evaluated as pass/fail criteria or scored questions. In accordance with the Regulations, wherever possible the Council permitted suppliers to self-certify they met the minimum PASS/FAIL requirements without the need to attach evidence or supporting information. However where the Council regarded the review of certain evidence and supporting information, prior to shortlisting, as critical to the success of the procurement this was specifically requested.
- 3.4. SQ submissions were received from 5 Suppliers. All Passed the Pass/Fail questions and exceeded the overall scored threshold of 50% of the achievable marks, so all 5 were invited through to Tender stage
- 3.5. The ITT was published electronically via the, South West Portal on 27th July 2018 with a tender submission date of 11th September 2018. Tenders were received from 5 Tenderers. The tender submissions were independently evaluated by Council Officers and external consultants to the project, all of whom have the appropriate skills and experience, in order to ensure transparency and robustness in the process. In order to ensure fairness of the process the evaluation of Quality and Price were split, with Price information being held back from the Quality evaluators.

3.6. The Price clarifications were managed through the South West Portal. These were evaluated by the professional QS P.T Projects. The resulting financial scores are included the tender report on the prices are contained in the confidential Part II paper

Method Statements	Weighting
Method Statement 1- Contract and Project Management	12%
Method Statement 2- Financial Control	10%
Method Statement 3 - Management of the Site	10%
Method Statement 4- Health and Safety	5%
Method Statement 5- Quality	5%
Method Statement 6- Contractor Design Portions	11%
Method Statement 7- Social Value	8%
Method Statement 8 Handover and Soft Landings	9%
Price	
Total Tender Sum	30%
Total	100%

3.7. The evaluation of the tenders consisted of two sections, quality and price. These two elements have been combined on the ratio of 70% quality and 30% price as shown on the adjacent table. Details of the tender returns and tender prices are included in the tender reports included in the Part II papers.

3.8. The results of the procurement exercise recommend that The Hub Construction Ltd. is appointed as the best value for money tender.

4. Information on the Hub Construction Ltd.

4.1. The Hub is an international company but based in the UK. It is a moderately sized company but owned by a larger parent company who carry out similar fit out work. The Hub’s record of clients and work completed is very impressive and can be viewed on their [website](#). Clients such as the V&A, The Natural History Museum, The National Gallery and Tate Modern are among many more. The Hub have been responsible for important fit outs including Bletchley Park , Stonehenge visitor centre, the Birth of Space exhibition at the Science Museum as well as the newly opened National Army Museum and even responsible for the recent work in the iconic Hintz gallery in the National History Museum where Dippy the Dinosaur used to reside.

4.2. The Hub scored highly on relevant experience and provides a really good fit with The Box galleries. The projects the Hub have completed that fit with The Box galleries include: Voyagers Gallery National Maritime Museum Greenwich, Titanic Belfast, Stonehenge Visitor Centre (Port of Plymouth). Antenna Future, Collider and Cosmonauts National Science Museum & Cyber Security Bletchley Park (Media Lab). Memory Palace (Memory Box) Kingdom of IFE British Museum & National Army Museum (100 Journeys). Age of the Dinosaur National History Museum (Mammoth Plymouth). Hollywood Costume, Treasures of the Royal Courts, British Design& Leonard Da Vinci V&A, David Bowie V&A. (Our Art). World Stories Brighton & Hove Museum, Syria Imperial War Museum (Active Archive).

5. Exhibitions



5.1. The Hub Construction Ltd. will be working on the galleries designed by Event Communications.

5.2. Collectively the local, regional, national and internationally important collections of The Box hold the content and stories that together describe the rich history of Plymouth and surrounding region and its impact on the wider world. For some time there has been considerable anticipation as to how those stories would be told within the new galleries

inside. One of the major focuses of the programme has been to define and develop design proposals that match that ambition.

5.3. In summary The Box will contain 8 museum-based galleries and a further 7 programmable spaces including the Levinsky Gallery at the Arts Institute as part of the improved offer. Event Communications, one of Europe’s leading exhibition designers, have worked with the Council to develop concepts and produce detailed designs for the museum-based galleries and opening exhibitions on the Mayflower story, Our Art collection and in Photo Album.

5.4. The following table sets out the agreed exhibition offer, Galleries Marked are to be delivered through the exhibitions fit-out contract:

Museum Galleries	Description
Mammoth Plymouth (Fit out Contract)	Visitors will investigate the natural world of Plymouth and the southwest from the Ice Age to the present day. A full sized woolly mammoth will greet you in front of a mass display case of collections reflecting the region’s vast diversity of life in the past and today, on land and in the sea
Port of Plymouth (Fit-out contract)	Visitors will be able to explore the last 3,000 years of Plymouth as a maritime port and the way it has grown into the maritime and naval port of today. It will explain the importance of Plymouth Sound, one of the deepest natural harbours in the world, to this important story. Visitors will be able to explore Plymouth’s global trade that brought so much wealth into the city over 500 years ago, the importance of fishing that still continues to this day and the impact of the navy and its relationship with the city for over 300 years.
100 Journeys (Fit-out contract)	Plymouth has been the starting point from the earliest days of exploration for an extraordinary range of journeys to the farthest reaches of the globe. This gallery tells the stories of Drake, Cook, Darwin, Scott and many others who have left the port of Plymouth and changed the way we see and understand the world
Media Lab (Fit-out contract)	From the earliest innovations, Plymouth and the South West has been the focal point for media creativity. Using the largest film and television archive in the UK, Media Lab will showcase the people who pioneer, create and experiment with film and media from the early photographic pioneers to the current digital creatives in the city
Memory Box (Fit-out contract)	Around the first floor balcony of the atrium will be series of ‘encounters’ of everyday objects that will trigger memories of day-to-day life in Plymouth.
Active Archive (Fit-out contract)	Active Archives is an opportunity for visitors to discover the fascinating stories contained within the city’s archives – visitors can chart how the city grew and changed over time or see how the records and manuscripts can provide an insight into the history of your family, your home and your surroundings.
Cottonian Reading Room (Fit-out contract)	This modern take on a Georgian reading room will allow visitors to explore the breadth of the Box’s collections whilst surrounded by displays of objects from the Cottonian collection, one of the greatest

	gifts given to Plymouth.
Figureheads (Fit-out contract)	Fourteen figureheads from one of the largest collections in the UK will be suspended in an iconic installation in The Box entrance, restaurant and shop. The largest of these figureheads, King Billy as he is affectionately known, will greet visitors on their arrival.
Temporary Exhibition Galleries	
St Luke's	The restoration and conversion of St Luke's chapel of easement to a temporary exhibition gallery will create one of the largest 'government indemnity standard' spaces in the south west. It will be capable of hosting major exhibitions from national and international institutions as well as commissions and installations from major contemporary visual artists
Hurdle	The Hurdle gallery is a newly refurbished temporary exhibition gallery designed to house a range of smaller exhibitions from in-house curated shows to touring exhibitions to artists' responses
Our Art (Fit-out contract)	Visitors will be able to enjoy the 'stars' of the city's art collection and explore different forms of creative expression in Plymouth and the Southwest through a programme of changing displays – a panorama of the Plymouth coastline, and a glimpse into the creative practice of four well-known artists are planned for 2020
Mayflower (Fit-out contract)	Explore the national Mayflower exhibition which is assembling the one of the largest number of Mayflower artefacts and loans from across the UK and US ever assembled. Visitors will be able to read about the passengers and their journey from the UK to Plymouth Mass, and to understand the social, cultural and political legacy of the Mayflower story
Photo Album (Fit-out contract)	Using one of the largest photographic collections in the South West visitors will be able to explore the 'family album' of Plymouth through changing thematic displays. This will be complemented by changing 'take over' display cases for different community groups who will give an insight into their personal stories and histories – 2020 will open with Maker Memories
Artists' response spaces	
Creative Catalyst	Artists are being invited to use the original museum foyer to create thought-provoking and inspiring responses to the narratives, stories and collections within the new collections-based galleries.
Tavistock Square	A new square for Plymouth is being created between the new entrance into the Box and St Luke's that will provide a mix of commercial, performance and orientation functions.

6. Exhibition Costs

6.1. The tender bids for the contracts were all above the cost plan, however when adjustments for alterations to the designs in production information were taken into account the cost plan and the tenders were comparable.

6.2. With a small amount of targeted value engineering (116k) the preferred contractor's price is affordable from within the cost plan value but requires additional finance from the budget position.

7. Conservation of Figureheads



7.1. The Figureheads Gallery will hang 14 iconic figureheads, see table above. The installation has been designed by Event Communications but the object conservation and installation sits outside the exhibition works contract, and is managed directly by specialist staff in The Box team. The figureheads are not the only items that are being conserved for display, but are a major part of the work. An Interreg European funding project has been secured with 6 other partners and is contributing £150k to the projected £403k cost of conserving these giant wooden carvings. In order to achieve all the restoration in timescale the conservation has been split between three specialist companies across the south of England who are working together on what is a ground breaking project for the conservation sector.

8. Exhibition risks

8.1. The exhibition designers and quantity surveyors have developed a detailed risk register which is a part of the programme risk register. In addition all the tenders were asked to identify the key risks to the exhibition contract and the combination of these risks have been considered.

8.2. The key exhibition risks from the registers at this stage are as follows:

8.2.1. Failure of The Box curatorial team to supply access to the collections and assets needed for the fit out works, this would delay the contractor in the production of mounts and graphics that will be critical for the completed exhibition creating delay and expense.

8.2.2. Changes to the contractual information through client alteration. This is always a risk that allows the contractor to claim for delay an expense.

8.2.3. Failure for the Council to let the construction contract in good time for the contractor to meet the long lead in times for items such as the showcases. This would create delay to the hand overs but not likely to increase the costs if the delay within the tender acceptance period.

8.3. The risk of inflated import tariffs will be taken by the contractors. Each contractor was invited to present risk costs for specific Brexit issues but all contractors confirmed they had in their tender response made allowances to manage this risk.

9. Decisions

9.1. The programme to making the contract decision to appoint the fit out contractor has been in the Council's forward plan since June 2018 and follows the tender returns made on the 11th September 2018. The intention is for the Council's decision to be made on the 9th October where there is a 10 day standstill period to comply with EU regulations. Council officers are prevented from acting on the decision in this period, however if no valid challenge is made in this period the contracts will be issued.

9.2. The contractors have confirmed that the latest the contract could be let and deliver on the required programme is the 19th November.

9.3. The decision to appoint the Fit out Contractor was originally delegated to the Director of Place however with the expected increase in budget necessary, it has been concluded that this is a decision taken by Cabinet, with an additional executive decision to make amendment to the capital programme.

10. Community engagement programme

10.1. Since the closure of the City Museum and Art Gallery in September 2016 an ambitious community engagement programme (The Box on Tour) has been underway to test out ideas, consult on designs, reach out to new audiences and maintain our existing audiences. In summary it has reached nearly 41,500 people and has attracted over 5,800 volunteer hours this year alone.

10.2. Funded largely by the Heritage Lottery Fund, The Box on Tour community engagement programme has been underpinned by the creation of two new temporary venues. The first opened in January 2017 on the ground floor of the Council House creating a temporary gallery for a programme of displays including the very popular At Home with Beryl Cook and a display on the blitz and reconstruction of Plymouth in the 1940s and 50s. This ran throughout 2017 closing in December, and the second venue was opened in January 2018 on the top floor of the House of Fraser where it remains to date attracting an average of 750-1,000 visitors each week to its displays. To mark the 70th anniversary of the NHS this year we also opened a 3rd smaller object display inside Derriford Hospital's main entrance and new Outpatient's waiting room as part of the wider NHS70 programme. Outside these venues The Box on Tour programme has three main strands:

10.3. Four projects are currently underway designed to target a range of key Plymouth audiences and community groups.

10.3.1. **Maker Memories** is a partnership project exploring a smaller corner of SE Cornwall that has existed as a military camp, a holiday camp for Plymouth's and more recently an arts and cultural hub. Oral history recordings, films and photographs have been brought together as part of a touring exhibition currently on display at House of Fraser, and will go into the Photo Album gallery as one of the community response displays.

10.3.2. **Plymouth after Dark** is a major four year project that will result in a large exhibition at The Box in 2021. The project will again include oral history recordings, active collection of objects that reflect Plymouth's fascinating and varied nightlife and explore the roles that support workers play in facilitating our nights out. Specific pieces of work within the project will aim to engage a broad audience (our 'Family Rave' attracted 500 family participants – see photograph below) through activities such as a schools project exploring alcohol use in young people, marginalised and vulnerable people's experiences of the city, sex workers and the role immigration has played on our cities night time landscape.



10.3.3. **Your Recipes, Your Heritage** aims to explore our eating habits and fashions over just the past century, using food as a medium for engagement. This partnership project with the meals on wheels service, CaterEd, will delve into the personal recipe books of the people of Plymouth to create some new and exciting heritage themed menus. The project will tackle social isolation and create valuable opportunities for people of all ages to come together to share both meals and stories.

10.3.4. **Plymouth Roots** will work in partnership, potentially with Kew Gardens, to explore the city through its flora and fauna, often brought here from around the world. The project will offer a variety of opportunities for participants that will encourage positive outcomes on their health and wellbeing (complementing our existing Arts and Minds group for people living with dementia and their carers), alongside practical gardening support and shared experience



about collectors or collections or experience new or unexpected insights into the Box.

10.4. There is an informal learning programme where the priority in this strand has been to test out and develop self-directed learning opportunities that will complement the emerging new collections-based galleries (see section 4 below). This has included the development of the 'Explorer Coat', the 'Collecting Coat' and associated programme of 'Ten Minutes Tales' – sessions where families can drop-in to handle original artefacts, hear stories

10.5. The Learning programme which is the development of a new schools offer for KS1-5. Innovate Educate a specialist consultant were contracted to undertake a two-phase consultation research programme – in phase one they worked with 29 Plymouth teachers and educators from KS1-5. All teachers and educators interviewed talked of the balance between cost, quality, added value, practicalities and quality of facilities when making decisions about external visits. Phase two has now begun to develop the revised offer based on earlier findings and will also include a new 'Masterclass' offer: day-long experiences for pupils across multiple schools with a range of experts that will focus on raising aspirations for less engaged pupils and enriching the offer for talented pupils. . Three consultation sessions were delivered at BBC South West and Ocean Studios with a range of sector experts including RiO, dBs Music Plymouth and Wessex Archaeology, along with teachers and educators. Piloting of the new service will take place in 2019 with a full launch in September 2020.

11. Update on Construction Contract



12. Progress on site

12.1. The construction contract was let to Willmott Dixon in June 2017 following an enabling work period. The contract is split into 4 phases of work so that the refurbishment elements can be handed over in advance to ensure the fit out delivery can be achieved within the time scale.

12.2. Progress on site can be viewed at any time through the web cam that can be accessed at the following link [Site web cam](#). You will see from this that the construction works have just completed the largest double span cantilever in the country. The concrete frame has cured and the shuttering removed, to expose the impressive cantilever. The tapered duo-span cantilever forms the second floor archive with the primary cantilever spanning up to 7.7m, and the unusual secondary span reaches 2m in a perpendicular direction. It utilises the in-situ concrete walls as deep beams with additional stability provided by the concrete stair and lift core. The concrete frame is now being clad externally with a rain screen, and of course it is still to be loaded internally with over a million records, but the overhang is now complete and has so far settled less than a millimetre.

12.3. Notice also the optical illusion of the acute angle on the Box. It appears as a square corner of a box with the wall below at an angle. In truth, the wall is square and the corner of the box is an acute angle.

13. Building Abnormal Conditions

13.1. Conditions on site have proved very challenging. The refurbishment of St Luke's and the Edwardian parts of the museum and library have, despite extensive survey prior to the contract, required much

more repair work than originally expected. Conservation items such as the stained glass windows, lead work, stone repairs and the old lime mortar rendering to St Luke's have all proved more extensive than the original surveys. Structural problems with the old library, St Luke's balcony support columns and St Luke's tower, have all needed substantial additional work as they have been uncovered throughout the works.

13.2. The following is a summary of some of the issues that the project has encountered:

- 13.2.1. The initial environmental study that was undertaken in 2014/15 noted a number of matters that would need to be resolved and allowance for these were a part of the project cost. However by the time the project came to site evidence of Japanese Knot weed was apparent on the site and it was necessary within the enabling works to have these removed by a specialist subcontractor.
- 13.2.2. In the strip out of the library the wet system of radiators were removed following extensive investigations of the heating system, a full cat 3 asbestos survey had been carried out and any asbestos encountered had been removed. Given the age of the building being demolished allowances for finding small pockets of additional asbestos had been allowed for as might be expected in a demolition. However as the building demolished it became apparent that the building had been constructed with long ago abandoned under floor heating system. This was lined in asbestos insulation. The result was that the floors had to be broken up in a controlled way with the insulation removed; this resulted in a 3-week delay and additional costs for the removal of this discovered asbestos.
- 13.2.3. The construction of the basement on a line with the existing 12m high building that is to remain would always have been a construction challenge, the specification allowed for underpinning the existing building with provisional sums for additional underpinning and the temporary works associated with this work. As excavations progressed the nature of the ground fill and shillet rock grain gave the structural engineers some cause for alarm and consideration was given to shoring up the building temporarily while the under pinning took place. This would have had very extensive temporary works costs, much higher than the provisional sums would allow. In addition it would have stopped the reduced level dig site for several weeks causing further delay and considerable cost. A solution was devised that extended the piling rigs work on site to create a piled retaining wall avoiding any underpinning. The delays were mitigated by the Pilling rig working at the same time as the reduced level dig however some delay was encountered and the operation was above the allowances made in the contract sum.
- 13.2.4. In St Luke's the reduced level dig of the floor to expose the foundations of the columns that supports the balcony, revealed that the columns were not actually sitting on a foundation but resting on a stone and jacked up with a pair of wooden wedges. In two places the cast iron columns were actually turned timber columns. These structural elements could not be left without substantive work to bring their structural integratory to current building control levels. As a consequence each column has been removed, a foundation formed and a new purpose made shoe formed to house the base of the columns. There have also been walls exposed to the vestry of St Luke's and the lintels in the Museum building that had either no lintels or cracked lintels. Certain walls were condemned by the structural engineers so there has been greater demolition and new walls erected in their place, this has been absorbed within the programme but has none the less resulted in substantial additional cost.
- 13.2.5. The extent of work to repair the stain glass windows and stone tracery in St Luke's, and the stone facades of the Edwardian Library and Museum buildings out stripped the provisional sum allowances for spot repairs that were allowed for in the contract sum.
- 13.2.6. A structural issue arose in the integrity of the roof trusses that support the St Luke's roof. All surveys of the roof have reported that it is in reasonable condition with further life before replacement, little deflection on the roof has supported the theory that the roof trusses which are not easy to inspect, are also in reasonable condition. However the removal of the ceiling to reinforce these trusses to support hanging for art work revealed that the timber work was in

poorer condition than the technical teams had allowed for and the structural works were extensive than expected as a consequence.

13.2.7. Issues have been encountered with the storage of the pickles; this is one of the major collections donated from the NMA which has never been on permanent display. It had been intended to place on permanent display as a mass collection; however the Dangerous Substances and Explosive Atmospheres Regulations (DSEAR) require the very careful management of the chemicals that preserve the pickles in a public space. Quite sophisticated technical specifications and control measures have had to be designed into the proposals to ensure we meet the regulations and additional storage space has had to be formed for those collections that will not be on display.

14. Construction Social Impact

14.1. Willmott Dixon report monthly on their social impact achievements against the targets set in the contract. To date over 30 formal hard hat tours have been held with the public but also professional bodies promoting training opportunities including the Chartered Institute of Building (CIOB), Institute of Civil Engineers (ICE) National Inspection Council for Electrical Installation Contractors (NICEIC), Women in Property, Plymouth University & Construction Training SW.



14.2. Over 412 waged training weeks (apprenticeships) on site have been completed and 14 Industry Certifications have been achieved by workers on site while the works have been ongoing. The site is not only promoting Plymouth-based skills but is also targeting and delivering local workers so that it is not unrealistic to say that The Box is being built by the Plymouth workforce. Moreover 60% of the workforce lives within a 10 mile radius of the site and 77% are within a 40 mile radius so that 40% of the workforce walk, bus or cycle to the site.

15. Organisational Change and Service Restructure

16. Transfer agreements

16.1. Over the autumn 2017 the major transfers of South West Image Bank (SWIB) and South West Film and Television Archive (SWFTA) were planned and delivered. The legal agreements for the transfer contracts were signed and the staff TUPE transferred into the Council's employment. There are different arrangements for both organisations, with SWFTA choosing to wind up meaning the ownership of the collections are transferred to the Council, while SWIB, (owned by the Barbican Trust,) remains, so a 25 year loan agreement of the collections is to be formalised.

16.2. The Figureheads, owned by the Navy, are being transferred to the National Museum of the Royal Navy (NMRN) and agreements have been reached with the NMRN for a 25 year loan of these and other assets.

17. Organisational Development

17.1. In preparation for the changed vision, values and culture of the new institution, the Council's HR Organisational Development team led three away days between September 2017 and February 2018

for all staff to help inform the shape of the new organisation and the skills and experience required for The Box.

17.2. This was followed by a 2-day bespoke training programme led by Plymouth University's Enterprise Centre in March 2018 designed to encourage greater understanding between staff and how they can contribute to the Box

17.3. Phase 1 Staff Restructure: Senior Management Posts

17.3.1. To achieve a step change in the cultural offer requires a substantial restructure in staffing for the Arts and Heritage Team. At the beginning of April 2017, an interim CEO was appointed to begin the restructure of staff. The first appointments were to create a senior management team of three posts as follows:

- Head of Contemporary Arts:
- Head of Business
- Head of Heritage, Art and Film

17.3.2. These three posts were discussed and agreed with Arts Council England as major funders of The Box, who also helped with recruitment of the right candidates. The posts have been advertised and appointed.

17.4. Phase 2 Staff Restructure

17.4.1. Consultation of the second phase of the staff restructure was launched on the 19th July and is concluding in October.

17.4.2. The vision behind the restructure is to have the very best team across a number of inter-related areas of expertise: collections development and display, contemporary art exhibitions and commission, public engagement, learning and research, commercial development, marketing fundraising, business operations and administration.

17.4.3. The structure also recognises that the it needs to be strengthened to deliver its considerable responsibilities that cover not just the operations of The Box but also those of the historic houses (Smeaton's Tower, Elizabethan House and Merchant's House), the city's strategic role for the development of arts and heritage and of the ongoing management of Mount Edgcumbe, which is outside the scope of the restructure.

17.5. The revenue implications of the business plan and ongoing revenue is not considered in this cabinet update. All revenue costs reported are one off revenue costs associated with the development and delivery of the capital project programme.

18. Reload

18.1. 'Reload' is the programme of activity that is planned over the last 12 months of programme up to opening in 2020. This is possibly the most challenging part of the programme for the service as it requires the public facing activities to close for a period as the collections are moved from their current locations into the new facility. This includes the exhibition artefacts that require unpacking cleaning and mounting in their new cases.

18.2. 'Reload' will bring well over a million objects from 9 different locations around the city and involve the dismantling of the systems, including IT, that support these collections. This must be done in a way that tracks every object so that at no point is any object unaccounted for. It is a systematic move that needs to be very well planned.

18.3. The curatorial team are supported by staff with considerable experience of moving collections, including the very successful decant achieved in the autumn of 2016, before enabling works started. However as with the Decant, the Reload will be supported by specialist removal and haulage

companies. This is particularly relevant when it comes to the large object installations such as the figureheads.

19. Operation

19.1. With 547 days to go before opening, it is essential that The Box Programme moves into a different phase of working. The work stream focus to date has been in designing and managing the major contracts. However it is recognised that with the staff restructure, appointments are being made for staff that will be responsible for running The Box when it opens, and these staff will be focused on designing and developing the running policies and operating procedures. It follows therefore that the governance of the Programme Board and the work stream leads are being transformed to focus on developing the operational plans. This is being set in place as the new senior management posts arrive over the autumn 2018 giving us 18 months to plan for the opening.

20. Catering and Retail

20.1. One of the more major pieces of work undertaken throughout the past year has been the development of the proposals for catering and retail. This has been supported by specialist advisors, Seeking State, appointed in summer 2017. After analysis of The Box proposals including the business plan originally developed with the support of Fourth Street business advisors, the strong advice was that both the catering and retail elements of The Box needed to be expanded, both spatially within the building but also in terms of the capital investment needed in the facilities.

20.2. Having reviewed the impact on the construction contract and budgets a decision was taken by the executive to amend the building design and allocate additional capital funding to the proposals as it would generate higher income from larger and higher quality catering and retail experiences.

20.3. With this capital investment the revenue income projections rise considerably. This was modelled by The Seeking State allowing for an opportunity to use service borrowing to the value of £398k for loans of 5 years for the retail fit out and 10 years kitchen fit out. This additional income offsets a large proportion of the additional capital outlay costs.

20.4. Currently plans are being developed for the catering franchise to be tendered through a European compliant procurement process. The market has been warmed up with a bidder's day which took place on the 14th September 2018. Turn out at the event was encouraging with several potential bidders for the franchise attending including CaterEd.

20.5. The retail experience is being developed in-house and a freelance buyer has been appointed to develop The Seeking State's retail proposals into a product line to develop the retail offer.

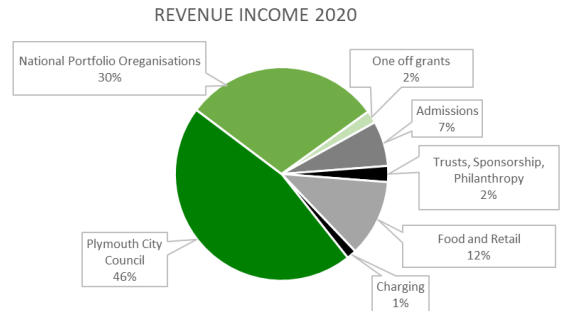
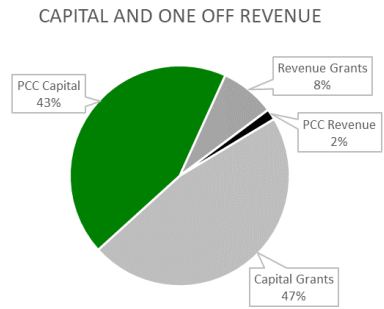
21. Funding

21.1. The external grant income has been very successful, with grants received from Heritage Lottery Fund, Arts Council England, Coastal Communities, European Regional Development Fund, University of Plymouth, a private bequest, Garfield Weston and the Wolfson Foundation. In total £23.2m of capital and one off revenue, which pays for the construction, exhibition and current activity plan to replace the museum service while closed. A further £4.1m revenue, over 4 years has been agreed through Arts Council England (ACE) as The Box was re-designated as a National Portfolio Organisation (NPO) in June 2017. This revenue started in 2018/19 with an increase in the NPO grant from £500k to £875k. This revenue position is not part of this report but will be used for the delivery of the business plan ongoing.

21.2.Despite increased costs in the capital and one off revenue expenditure, the level of grant when compared to Council match remains over 55%, and for revenue the grant and other incomes is 54%. The adjacent graphs show these proportions in more detail.

21.3.Given the increased ambition, we have held discussions with all funders over potential additional support and have made bids for a further £1.5m.

21.4.Within the capital programme and the Council’s revenue budgets there has been committed a number of capital and one off revenue resources to the Programme and this report recognises the need to increase this commitment. A separate Executive Decision is being taken in tandem with this cabinet decision to make available additional borrowing resources to meet the commitments to raise the Capital and one-off revenue envelope to £44.452m.



22. Connection to Mayflower 400

22.1.The Box Programme has always been considered as the flagship to the Mayflower opportunities in 2020, to celebrate the 400th anniversary of the sailing of the Mayflower. Because of this the programme of delivery has been interlinked and there are many elements on the planned capital works in Mayflower 2020 that are joined up.

22.2.It can be seen for the exhibitions set out in section 4.2.1 that one major exhibition at opening and other artistic responses in other galleries will be dedicated to the Mayflower theme and will run for at least 18 months.

22.3.In addition to the dedicated exhibitions the following links to Mayflower 400 will be achieved

22.4.The trails programme will be linked through the IT and the branding so that trails will reference, start or finish at The Box. It is intended that the electronic aspects of the external city trails and the internal trails around The Box will be linked in a way that appears conjoined to the customer. The ownership and maintenance for the trails will also be the responsibility of The Box staff.

22.5.A developed CRM that supports both Mayflower and The Box will be purchased via the Mayflower capital budgets not included in the reported costs in this report.

22.6.The Elizabethan House, with support from the Council and the Heritage Lottery Fund, will be reopened in the Mayflower year under the management of The Box.

23. Programme Risk

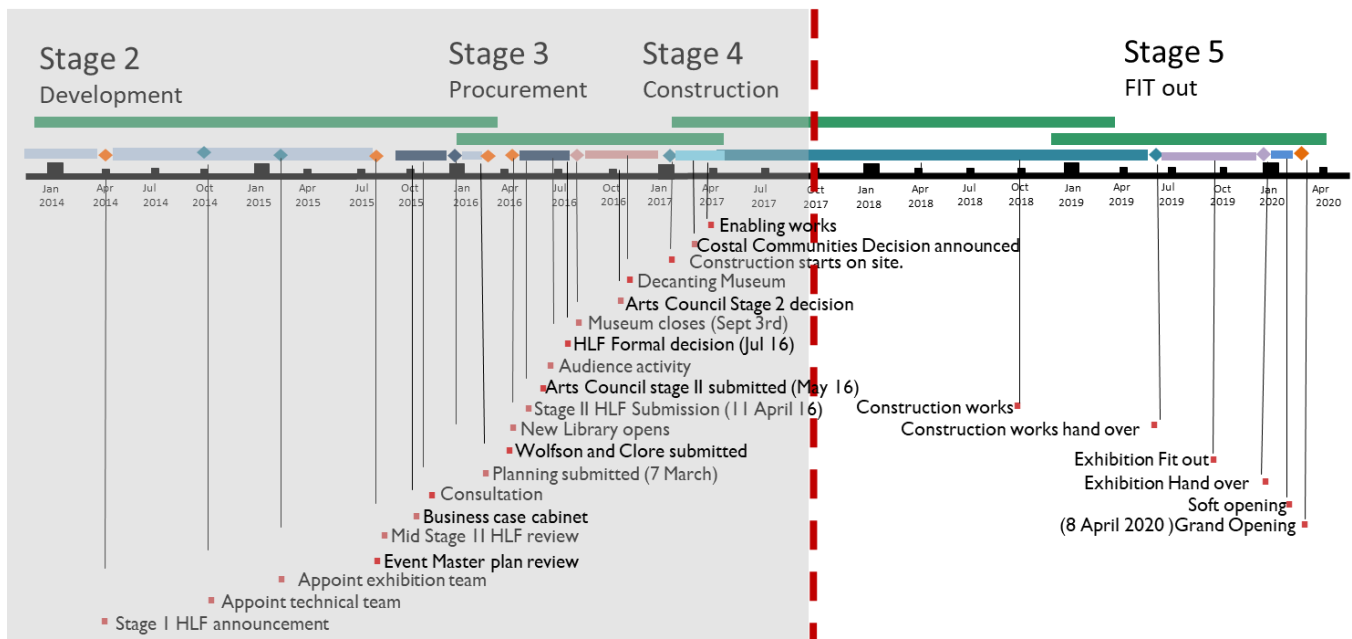
23.1.As expected of a project that has strategic benefits, there are a number of risks that the Council is taking in delivering such a large and complex programme.

23.2.It has been widely accepted from its inception that a programme that seeks to make a step change in the cultural experience of the city will have a sizeable price tag; and the Council has been very successful in gaining external funding support for the venture. However, it is right that the Council is also funding a proportion of the cost and remains in a position where it stands behind the outcome of the delivery costs.

23.3. The project also holds a significant amount of reputational risk that the outcome of the programme does not meet expectations. This has been mitigated with a very strong cross party member involvement in the programme throughout its design development, and now construction period. This risk was recently summed up in a recent [Herald Article](#), 1st August 2018, where Keith Rossiter reviewed progress and considered the impact of The Box programme on the city. The article, with a tongue in cheek title, offers the best critique to how successful Members have been in mitigating this risk by insisting on quality and the scope of the exhibitions.

24. Timescales

24.1. The driver for the programme is to have the visitor experience open for the spring season in the year of 2020, in time for the Mayflower commemorations. This is a fixed deadline that imposes constraints to the contract delivery of the buildings and exhibitions.



24.2. The programme has been broken down into five stages and we are now most of the way through stage 4 and approaching stage 5, where we begin the fit out works by letting the major exhibition fit-out contract. The high-level time table of the last two phases above shows how the construction contract continues and is overlapped with the fit-out works and also how the object install is also overlapping the fit out works.

24.3. There is a planned soft opening period through-out March 2020 where the buildings and the exhibitions will be tested with live audiences and VIP tours. These will prove very popular not least with the hundreds of people that have worked on the project. However it needs to be recognised that the very important work of testing, commissioning of equipment and training of staff will need to be managed throughout this period.

24.4. There will be loan items, especially in the Mayflower gallery that will not be released by the lenders until the last period before opening and it will also be important that environmental conditions are met and proved to lenders. This means that fully delivered exhibitions will not be ready until just before the 8th April 2020.

24.5. A decision on the exact opening date has not formally been made, the programme has had the 8th April 2020 as the programme completion date and funding modelling and tax planning has been based on this date. But it is possible the final opening date could be rearranged for a different date close to this deadline.

25. Conclusions

- 25.1. The Box programme delivery has reached a major milestone where the final market response to the extent of the capital cost can be outlined. The tender for the exhibition fit-out is the last major capital contract.
- 25.2. The aspirations for the exhibitions, both arts and heritage have not been dampened in delivery but have grown by the possibilities that have been presented. The estimated costs of the exhibition have risen and the costs of the construction contract have also risen, due to the change introduced by the exhibition, retail and catering alterations. These alterations have been discussed in some detail with Members and The Box Shadow Board, and are accepted as significant but necessary to deliver the vision.
- 25.3. The Box, Plymouth is now placing Plymouth on a national stage. Sir Nicholas Serota brought the members of the Arts Council's National Council to Plymouth and to The Box; and two major announcements were made at Frieze in London (the UK's largest contemporary art festival) on 2nd and 3rd October: (1) The Contemporary Arts Society awarded their largest national prize to The Box to purchase works of art valued at over £100,000 and (2) Plymouth was announced by the Hayward Gallery as just one of four cities chosen to host the British Art Show in 2020/21 with The Box as the lead partner.
- 25.4. The awarding of the contract to The Hub Construction Ltd. and the necessary capital envelope required will complete a journey of quality that delivers a national and internationally important legacy for the people of Plymouth over the coming decades.

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PLYMOUTH CITY COUNCIL

Subject:	Funding for Early Years settings
Committee:	Cabinet
Date:	9 October 2018
Cabinet Member:	Councillor Jon Taylor (Cabinet Member, Education, Skills and Transformation)
CMT Member:	Alison Botham, Director for Children's Services
Author:	Judith Harwood, Service Director (Education, Participation and Skills)
Contact details	Tel: 01752 30465 email: judith.harwood@plymouth.gov.uk
Ref:	
Key Decision:	No
Part:	I

Purpose of the report:

To provide Members with an overview of Early Years provision, funding issues and resilience

Corporate Plan

The Early Years duties aim to ensure that children and young people (0-14 years old) across Plymouth can have the best start in life and improve future outcomes by accessing high quality childcare, either privately and/or via their free childcare entitlements. 30 Hour Childcare is one of these free entitlements, which is delivered by Education Participation and Skills, in partnership with childcare providers.

These initiatives endorse the outcomes and ambitions in the Plymouth Plan by:

- ensuring that all children can access high quality learning activities, the attainment gap reduces and families are supported
 - parents are able to access childcare and go to work, increasing social mobility and reducing poverty
 - local businesses are financially sustained.
-

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The nursery schools are maintained and currently carry a deficit budget which, once the protection ends (possibly in March 2020), could become a liability for the Council.

Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:

None for the purpose of this briefing report.

Equality and Diversity

Has an Equality Impact Assessment been undertaken? No

Recommendations and Reasons for recommended action:

For Cabinet to receive the report for consideration

Alternative options considered and rejected:

This is a briefing report only.

Published work / information:

None for the purpose of this report.

Background papers:

None for the purpose of this report.

Title	Part I	Part II	Exemption Paragraph Number							
			1	2	3	4	5	6	7	

Sign off:

Fin	pl.18. 19.10 6	Leg	It/31 356/ 041 0	Mon Off		HR	AM 051 018	Assets		IT		Strat Proc	
Originating SMT Member: Judith Harwood													
Has the Cabinet Member(s) agreed the contents of the report? Yes													

30 HOURS CHILDCARE

The main findings from the Pre-School Learning Alliance Report, Sector Views on Early Years Funding and the 30 Hour Offer (April 2017) found that:

- early years providers remain deeply concerned about the adequacy of funding, and the impact this will have on the sustainability of their businesses
- with only a minority currently committed to delivering the 30-hour offer, and many still considering limiting the number of places available
- many parents across the country are likely to find it difficult to find a funded place, particularly one that matches the days and times they want to use it
- parents accessing a 'free' place may find that many of the additional goods and services that used to come as part of their entitlement, with providers having previously absorbed the cost of these themselves
- parents of younger children, the majority of whom will not be benefiting from funded provision, could face fee increases as providers look to plug an ever-widening funding gap
- the funding that local authorities receive from central government is set to be frozen until 2020
- cost drivers such as the national minimum and living wage, business rates, rents and mortgages continue to rise.

In Plymouth, a high majority of childcare providers currently offer 30 hours free childcare places. The 2017/18 census shows that 5,900, 3 and 4 year old children benefited from universal funded early education places (15 hours of childcare) and 1,590 (27%) of these (and are eligible) benefited from extended funded early education places (over 15 and up to 30 hours). The number of hours offered can vary from setting to setting. It is common for parents to access their entitlement in a number of settings, and this partnership approach is encouraged by the Department for Education (DFE).

Plymouth childcare providers agree that:

- the stagnant national funding rate, increased business rates, the introduction of pension and living wage costs have increased the financial pressures on childcare businesses
- reduced grant funding opportunities is having a negative impact upon charities
- increased rental rates are forcing some settings to move premises.

Interestingly, a handful of settings in Plymouth have closed since the introduction of the 30 hours entitlement although this is a similar pattern to previous years. A number of factors have influenced this. These include the adherence to static and inflexible business models and decreasing birth rates (since 2010/11) and business owners choosing to leave the childcare market, retirement etc. However conversely, for every setting that has closed, a new setting has opened and therefore the provision of childcare places in the city remains stable currently.

Some childcare providers have welcomed the introduction of the 30 hours entitlement, as it has improved their financial viability. Some organisations have proactively promoted this scheme and have adapted their services to the needs of parents. Some settings have reduced their fees in order to attract more parents. Recently, two large nursery chains have purchased 15 day-care settings in the city. Furthermore, we are currently supporting two new organisations to start 'outdoor settings', two new holiday club providers to open, an Academy (two schools) to adopt nurseries, and new childminders have registered to take funded children, therefore the childcare market in Plymouth feels optimistically buoyant.

The Early Years Provision: survey results (June 2018) published by Local Government Association report has stated that since the introduction of the 30 hours initiative there has been an increase in public enquiries and/or administration to the LA. This has been true in Plymouth. A number of parents have contacted the Early Years Team to ask for help. In the main, their concerns primarily relate to HMRC and the process of claiming their entitlement. HMRC refer parents to the LA for

support, and unfortunately, in most cases we are powerless to help, especially when it concerns the LA funding childcare for parents who have missed the funding deadline. We (along with other LAs) have raised this issue with the DFE.

Some LAs are experiencing a reduction in children taking up two year old funding, as some providers are choosing to prioritise 30-hour places. This is not the case in Plymouth. We understand that some parents with children with special educational needs and disabilities (SEND) can struggle to find suitable childcare and consequently the Early Years Team have supported them.

In addition, we are actively supporting childcare businesses in the city, as we are launching a new Business Support Hub. We are also supporting parents (especially the more vulnerable and those with children with special educational needs and disabilities) to access their entitlement through a new Childcare Champion Scheme.

The Early Years National Funding Formula (EYNFF) was introduced in April 2017. The formula has set the hourly rates that are paid to local authorities to deliver the universal and extended entitlement for 3 and 4 year olds.

Since the EYNFF was introduced, maintained nursery schools (MNS) have been protected at their 2016/17 funding levels through a supplementary grant. In 2018/19 the value of the supplementary grant was £393,000. This was used to fund the existing MNS hourly rate for 3 and 4 year olds (£4.81) and a £90,000 lump sum for both MNS, this is significantly higher than the 2018/19 funding rates for private nurseries which is £4.08.

Central Government have stated that supplementary funding for MNS will be allocated to local authorities to protect their 2016/17 MNS funding rates until at least 2019/20. However, no guarantee on funding has been given after 2020, leaving maintained nursery schools unable to plan and budget for the future.

Early Years Centre of Excellence

In January 18, Early Years Minister Nadhim Zahawi announced the launch of a feasibility study into the cost and value of maintained nursery schools (MNS), as many face an uncertain future. The Early Years Provision: survey results (June 2018) published by Local Government Association, report that:

- Sixty three per cent of the 56 councils with MNS that responded supported the protection of funding for MNS at either the current level or a higher level than for other settings, with the most cited reasons for this being because they provided more places for children with special educational needs and disabilities (SEND) and disadvantaged 2-year-olds.
- Sixty one per cent of responding councils with MNS felt that it was 'very likely' (33 per cent) or 'fairly likely' (28 per cent) that these would close without protected funding.

Therefore, while we await a decision from the Department for Education regarding the future of MNS, we are launching an Early Years Centre of Excellence for Early Years in Plymouth.

By co-locating Plymouth City Council (PCC) Early Years Advisory Teachers (EYAT) with maintained Nursery Schools (Ham Drive Nursery School and Day Care and Plym Bridge Nursery School and Day Care (PNSF)) we aim to remodel and enhance the current training and support delivered to early years settings, whilst upholding the statutory functions for the council. We are currently investigating the possibility of becoming a NVQ/accreditation and research centre too. This partnership will benefit PCC, PNSF, and the early years sector and ultimately improve outcomes for all children.

Following a period of engagement with staff and unions the opportunity to pilot this new way of working was agreed. There will be a Partnership Agreement between Plymouth Nursery Schools Federation (PNSF) and Education, Participation and Skills (EPS) and this document will detail the lines of accountability and key performance indicators for all parties. Financial sustainability is a key performance criterion and the project aims to make saving through the recruitment of a new Head Teacher (as the existing Head is retiring), by increasing the training income, by accessing further education grants/funding, by reducing supply costs and increasing the productivity of the Daycare. The finer detail of this is currently being determined.

This project will start on 29 October 2018 and a review of the initial phase will take place in the Spring Term 2019, with the option of extending this project into 2019/20, if successful.

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