

# PLYMSTOCK SCHOOL CAPITAL UPDATE



## Part I Briefing Report

### 1.0 SCHEME SUMMARY

Secondary Basic Need is the requirement to provide additional pupil places within the city to meet the needs of city's growth. Plymstock School expansion was identified within the Secondary Review. It is a statutory requirement for Plymouth City Council as the Local Education Authority to provide sufficient pupil places to meet the demands of the growing population of the City.

The expansion of Plymstock School, as part of the Secondary Basic Need projects, addresses some of the increased pupil numbers, which are now moving from their primary phase into secondary education. The expansion increases the capacity of the school from 8.6FE (1300 places) to 9.6FE (1450 places), a total of 150 new places.

The project on completion provides a new extension on the MFL building, creating 6 additional classrooms with additional toilet facilities. The project also provides a new Arts and Drama facility which then provides additional assembly, sports and hall space which is a requirement linked to the increase in pupil numbers which is the barest minimum provision which is compliant with the school building bulletins.

The project was originally commissioned by the school in the first instance who obtained the original planning permissions and design pack.

For financial expediency PCC worked initially with the schools appointed consultants and work commenced on the Arts and drama block.

The Arts and Drama block was partially complete when the Pandemic caused the first lockdown and work was suspended for 13 weeks causing a delay on construction, 27/3/20 – 1/7/20, whilst the contractor was furloughed.

Due to the school taking additional pupils to assist PCC. Four temps were required to facilitate the necessary classroom space. The hire period had to be extended due to the Pandemic.

If no mitigating action had been taken the hire period for the temps would have significantly increased in time and cost.

To mitigate this it was decided to cease works on the Arts and Drama block and mothball this until after the delivery of the MFL class spaces, urgently required due to the pandemic constraints on space. To this end the works were reprogrammed and the MFL block is now nearing completion allowing the removal of the temporary units reducing the ongoing financial impacts on the project.

As the pandemic progressed it became apparent that the project was falling into delay.

During the delivery of the MFL several design faults were discovered and errors in the Bill of quantities further compounded this. This as required additional design input and increased the costs associated to the errors in the design and bill attributed to the original consultants appointed by the school, who PCC have removed and the project taken in house to minimise further costs and risks.

During the construction of the MFL block, we have engineered the mothballed Arts and Drama block and have identified a deliverable scheme to complete this final element of the overall project. PCC have had to incur additional design costs along with programme delays, additional construction costs and Covid-19 impacts and prolongation.

Taking into account the pandemic, delays due to the original consultant's errors and omissions and vast discrepancies in the bill of quantities, we have a spending shortfall of £580,550, including contingency, with any underspend being returned to the Secondary Basic Need budget.

PCC have requested a contribution from the Trust, which is ongoing. Any contribution made by the Trust will be deducted from the sum of £580,550 as indicated above, and will be returned to the Secondary Basic Need budget.

EPS have worked with Project Services and Finance to identify the necessary SI06 Income strands to complete the project

The budget summary is as below

## 2.0 BUDGET SUMMARY AND BUSINESS CASE

The original business case was completed in 2018 with the project costs of £2,500,000 of which £2,050,000 was specifically for building works with a contingency of £175,000. The remainder of the original funding was set against the survey, planning and building fees plus the architectural and other consultant fees.

Due to the impact of the pandemic, delays have been incurred leading to extension of time together with the increasing costs for materials and specification errors. This has impacted on the overall build costs coupled with changing building completion to meet the school requirements.

Planning Application	Amount	Spend Expiry	Received
06/01646/OUT	£ 111,869.36	01/07/2023	02/07/2018
07/00116/FUL	£ 45,000.00		06/06/2014
09/01443/FUL	£ 10,145.62	10/11/2029	11/11/2014
12/01304/FUL	£ 126,075.67	27/07/2021	18/08/2017
12/01867/FUL	£ 5,483.47		11/07/2018
13/00211/FUL	£ 5,105.20	27/08/2029	28/04/2014
13/00349/FUL	£ 6,638.21	11/07/2033	11/07/2018
<b>SI06 Total</b>	<b>£310,317</b>		
<b>Basic Need Grant</b>	<b>£270,233</b>		
<b>Total Addition to Programme</b>	<b>£580,550</b>		

Work will continue to review other SI06 funding contributions that may be available which will consequently reduce the value of the Basic Need Grant required.

### 3.0 REVENUE IMPLICATIONS

There are no known revenue implications from this scheme.

### 4.0 RISKS

We currently have an incomplete scheme that does not allow the school to operate effectively with the additional pupil numbers.

We compromise our strong relationship with the Trust

We continue incurring ongoing delay costs of circa £5k per week

Material and construction costs are inflating due to the delays

We need the additional school places to fulfil our statutory obligation as the LEA

We have expended significant funds on the project which is currently incomplete

If we do not proceed we could lose the Trust funding contribution to complete the scheme

If we do not complete the scheme we could find ourselves in dispute with both the Trust and the contractors.

If the contractor does not complete the works it would be very difficult to identify another contractor willing to undertake the remaining works to completion

If the scheme is completed by a third party the warrantees would be affected

We do not have 100% price certainty, however we have taken all possible steps to quantify the overall outturn cost and minimise the final costs, although the cost will increase further for every week of delay

The risks due to design issues and Bill of Quantity errors have been reviewed in order to mitigate the ongoing financial risk

Reputational loss is also a considerable risk although the scheme issues are not attributable to PCC

Adequate contingency has been included to complete the project

As the Arts and Drama block shell and first fix is now complete, all of the major risk items regarding construction have been mitigated and we now have low residual risk in this respect to completion

The design is now deliverable and the construction elements have been re-costed to deliver the best cost certainty possible in order to complete the scheme whilst mitigating potential risk

A design review has minimised the design risk and errors identified by PCC

The Trust are working very closely with PCC and there is a strong working relationship between both parties, the Trust are also undertaking some of the additional costs as they recognise that PCC have inherited a legacy from the school that was initiated prior to the school becoming part of the Trust. The completion of the scheme is reliant upon the support of the Trust continuing.

### 5.0 RECOMENDATIONS

It is recommended that the Leader of the Council:

- Approves this briefing paper
- Approves an increase to the capital programme of £580,550 for the Plymstock School Basic Need project, financed by:

- £310,317 S106 contributions as detailed above
- £270,233 Basic Need Grant