

CAPITAL INVESTMENT BUSINESS CASE

Repairs to Theatre Royal Roof



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

Plymouth City Council are responsible for repair works to the Theatre Royal (Clause 4.2 of the lease dated 27/1/2015).

Works are urgently required to prevent further water ingress through the Fly Tower and Smoke Vent Roofs at the Theatre Royal, including a new tapered system that will modify the falls of the roof to improve drainage and keep water away where practical from vulnerable details.

This project will mitigate risks through the following benefits:

Future-proof roof integrity and reduce liability for further roof repairs and damage to building.
 Reduced risk of civil claims.
 Relationship with TRP positive and supports business activities and safety of building and staff.
 Reduced risk of reputational damage for PCC

This project will have little or no impact on climate and any impact will be positive.
 Project procured through specialist contractor due to nature of works. Project management also procured through same contract.

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr.	23/24	24/25	25/26	26/27	27/28	Future Yrs.	Total
	£	£	£	£	£	£	£	£
Project Cost			248,975.43					248,975.43
Professional Fees			20,000					20,000
Contingency			20,000					20,000
Total capital spend			288,975.43					288,975.43

SECTION I: PROJECT DETAIL			
Project Value (indicate capital or revenue)	£288,975.43 Capital	Contingency (show as £ and % of project value)	£20,000 7%
Programme	Building Maintenance	Directorate	Place
Portfolio Holder	Cllr Chris Penberthy, Housing and Co-operative Development	Service Director	Interim arrangements Kirstie Spencer reporting to Anthony Payne
Senior Responsible Officer (client)	Kirstie Spencer Head of HSW and Interim Strategic Lead for FM	Project Manager	Robert Flatt
Address and Post Code	Theatre Royal Plymouth Royal Parade, Plymouth PL1 2TR	Ward	St Peter and the Waterfront
Current Situation: <i>(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)</i>			
<p>Plymouth City Council are responsible for repair works to the Theatre Royal (Clause 4.2 of the lease dated 27/1/2015).</p> <p>Works are urgently required to prevent further water ingress through the Fly Tower and Smoke Vent Roofs at the Theatre Royal, including a new tapered system that will modify the falls of the roof to improve drainage and keep water away where practical from vulnerable details.</p> <p>Robert Flatt (Chartered Surveyor and Director of JLL Building Consultancy) was engaged to carry out relevant condition survey and produce detailed specification. Subsequently a quotation for the work has been received from Cleggs & Shortman to provide a new BauderFlex system to both the Fly Tower and Smoke Vent Roofs at the Theatre Royal.</p>			
Proposal: <i>(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)</i>			
<p>The following works are required:</p> <ol style="list-style-type: none"> 1. To clean the roof and apply primer, as required. 2. For the supply and installation of the Bauder felt system, on to the existing roof covering, in line with the Bauder specification. 3. For the supply and installation of all flashing finishing etc, in matching felt. 4. For the provision of necessary welfare and security fencing. 5. Scaffold tower to be tied to façade. 6. Scaffold and hoist by JEM Scaffolding. <p>If these works are not carried out, water ingress will continue and there will result in disruption to the Theatre Royal business activities.</p>			
Why is this your preferred option: <i>(Provide a brief explanation why this option is preferred) and (Explain why this is a good capital investment and how this would be an advantage for the Council) and (explain how the preferred option is the right balance between the risks and benefits identified below).</i>			

This is the only appropriate and financially viable option to address the deficiencies within the timescale required so that business remains unaffected.	
Option Analysis: <i>(Provide an analysis of 'other' options which were considered and discounted, the options considered must be a 'do Nothing' and 'do minimum' and 'viable alternative' options. A SWOT – Strength, Benefit, Opportunity, Threat analysis could be attached as an appendix).</i>	
Do Nothing Option	
List Benefits:	No requirement for immediate financial commitment
List Risk / Issues:	Risk of further damage to building integrity and risk of interruption of Theatre Royal business activities. Reputational risk for PCC. Risk of civil claims / breach of contract.
Cost:	Possible claim for compensation
Why did you discount this option	The risks are too significant.
Do Minimum Option	
List Benefits:	N/A – the minimum option is the viable option.
List Risk / Issues:	
Cost:	
Why did you discount this option	
Viable Option	
	Project works as described in section I, to prevent further water ingress through the Fly Tower and Smoke Vent Roofs at the Theatre Royal, including a new tapered system that will modify the falls of the roof to improve drainage and keep water away where practical from vulnerable details.
List Benefits:	This will address the current water ingress and building damage and will also prevent future damage and requirement for reactive maintenance.
List Risk / Issues:	Financial risk
Cost:	£288,975.43 includes 7% contingency (£20,000)

Strategic Case:	
Which Corporate Plan priorities does this project deliver?	a welcoming city
	a vibrant cultural offer
	Select a priority

Milestones and Date:		
Contract Award Date	Start On Site Date	Completion Date
15 July 2024	31 July 2024	30 Sept 2024

SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).

Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	Risk of weather impacting the works and causing delays to project timetable	Medium	Medium	Medium
Mitigation	Works are planned during summer periods and therefore expectation of finer weather. Contingency built into programme	Medium	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£20,000	Risk Owner	Kirstie Spencer	
Risk	Risk of adverse publicity and reputational damage if works are delayed and business activities are paused / halted	Low	High	Medium
Mitigation	Works planned to start imminently and communication with TRP stakeholders ongoing	Low	High	Medium
Calculated risk value in £ (Extent of financial risk)	£500,000	Risk Owner	Kirstie Spencer	
Risk		Select value	Select value	Select value
Mitigation		Select value	Select value	Select value
Calculated risk value in £ (Extent of financial risk)	£	Risk Owner		
Risk		Select value	Select value	Select value
Mitigation		Select value	Select value	Select value
Calculated risk value in £ (Extent of financial risk)	£	Risk Owner		

Outcomes and Benefits

List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)


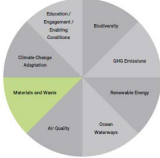
Financial outcomes and benefits:	Non-financial outcomes and benefits:
<p>Future-proof roof integrity and reduce liability for further roof repairs and damage to building.</p> <p>Reduced risk of civil claims.</p>	<p>Relationship with TRP positive and supports business activities and safety of building and staff.</p> <p>Reduced risk of reputational damage for PCC</p>

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SECTION 3: CONSULTATION

Does this business case need to go to CMT	No	Date business case approved by CMT (if required)
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Climate Impact Assessment

Upload Climate Impact Wheel	<div style="display: flex; align-items: center;"> <div style="text-align: center; margin-right: 20px;">  <p>Repairs to Theatre Royal Roof_FINAL Repairs to Theatre Royal Roof_REP921.p</p> </div> <div style="text-align: center;"> <p>Assessment ID: REP921 Assessment Author: Kirstie Spencer</p> </div> <div style="margin-left: 20px;">  </div> </div>
Summary of the anticipated impact of the proposal on the climate (including any proposed mitigations and impacts beyond 2030)	Little or no impact – any impact positive.

Have you engaged with Procurement Service?		No
Procurement route options considered for goods, services or works	Roof works and related consultancy and project management service procured through specialist contractors due to nature of works.	
Procurements Recommended route.	Roof works and related consultancy and project management service procured through specialist contractors due to nature of works.	
Who is your Procurement Lead?	Gosia Anthony	
Is this business case a purchase of a commercial property?		No
If yes then provide evidence to show that it is not 'primarily for yield'		

Which Members have you engaged with and how have they been consulted (including the Leader, Portfolio Holders and Ward Members)	Councillor Chris Penberthy
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Confirm you have taken necessary Legal advice, is this proposal State Aid compliant, if yes please explain why.	Yes
Who is your Legal advisor you have consulted with?	Liz Bryant

Equalities Impact Assessment completed (This is a working document which should inform the project throughout its development. The final version will need to be submitted with your Executive Decision)	Yes
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SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole. Exact amounts only throughout the paper - not to be rounded.*

CAPITAL COSTS AND FINANCING

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Provide details of proposed funding: Funding to match with Project Value

Breakdown of proposed funding	Prev. Yr.	23/24	24/25	25/26	26/27	27/28	Future Yrs.	Total
	£	£	£	£	£	£	£	£
Corporate Borrowing (Improvements to Corporate Estate)			288,975.43					288,975.43
Total funding			288,975.43					288,975.43

S106 or CIL (Provide Planning App or site numbers)	N/A
Which alternative external funding sources been explored	N/A
Are there any bidding constraints and/or any restrictions or conditions attached to your funding	N/A

Tax and VAT implications	N/A
Tax and VAT reviewed by	N/A
Will this project deliver capital receipts? <i>(If so please provide details)</i>	N/A

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project	
Revenue cost code for the development costs	
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	
Budget Managers Name	Kirstie Spencer

Ongoing Revenue Implications for Service Area

	Prev. Yr.	23/24 £	24/25 £	25/26 £	26/27 £	27/28 £	Future Yrs.
Service area revenue cost							
Other (eg: maintenance, utilities, etc)							
Loan repayment (terms agreed with Treasury Management)							
Total Revenue Cost (A)							
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)							
Total Revenue Income (B)							
Service area net (benefit) cost (B-A)							
Has the revenue cost been budgeted for or would this make a revenue pressure							
Which cost centre would the revenue pressure be shown		Has this been reviewed by the budget manager					Y
Name of budget manager	Kirstie Spencer						

Loan value	£	Interest Rate	%	Term Years	Annual Repayment	£
Revenue code for annual repayments						
Service area or corporate borrowing						
Revenue implications reviewed by						


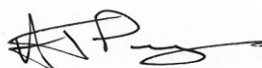
Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)

Author of Business Case	Date	Document Version	Reviewed By	Date
Kirstie Spencer	23/04/2024	v 1.0		00/00/2020
Kirstie Spencer	14/05/2024	v 2.0	Wendy Eldridge	15/05/2024
Kirstie Spencer	03/07/2024	v 3.0	Wendy Eldridge	03/07/2024
Kirstie Spencer	04/07/2024	v 4.0		00/00/2020
	00/00/2020	v 5.0		00/00/2020

SECTION 5: RECOMMENDATION AND ENDORSEMENT

Recommended Decision It is recommended that the Leader of the Council:

- Approves the Business Case
- Allocates £288,975.43 for the project into the Capital Programme funded by Corporate Borrowing (Improvements to Corporate Estate), incorporated within 2024/2025 revenue budget setting.
- Award contracts for £248,975.43 to Clegg and Shortman for roof works and £20,000 to JLL for consultancy and project management

Councillor Tudor Evans OBE (Leader)		Anthony Payne	
Either email dated:		Either email dated:	14/5/24
Or signed:		Signed:	
Date: 10/07/24		Date: 14/5/24	