

Design and Cost Report, Leeds Playhouse, Proposed Roof Replacement/Repair Works

Date: 14 November 2022

Report of: Asset Management and Regeneration

Report to: The Director of City Development

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- Leeds Playhouse re-opened in September 2019 following a major refurbishment that generated significant changes to the structure and layout of the building. Considerable focus was placed on creating a more permeable building with a major new entrance facing toward the city centre. The infrastructure of the building was also transformed inside, making it more accessible and environmentally sustainable.
- The budget for the project that was originally identified to complete and reposition the theatre went through several iterations before the building completion, which necessarily led to changes in costs and services, whilst the discovery of major unidentified services within the building and human remains on the site of the new entrance led to a three-month delay to the completion of the project with associated cost implications. As with many construction projects, the project team had to review the planned scope of works and, therefore, it was determined to omit the planned roof works to the building, with such works to be progressed as a phase 2 package of works when funding permitted.
- In April 2022, the Director of City development approved a fully funded injection of £1.090m and Authority to Spend for the same on the replacement and repair of large areas of the roof of the theatre building. Subsequently, the City Council appointed a contractor to undertake replacement/repair works to the roof of the theatre building, with works starting on site on 5 September 2022, with a scheduled completion date of works on site by the end of March 2023.
- Leeds Playhouse has now identified additional funding totalling £268,631 exclusive of VAT to undertake replacement/repair works to the remaining roof areas of the theatre building not included in the works currently progressing on site and, this report seeks authority for a fully funded injection of £268,631 into Capital Scheme No. 32019/ROO/000 and Authority to Spend for the same on the replacement/repair of the remaining areas of the roof of the theatre building.

- The proposed works will make a strong contribution to the Best Council Plan in terms of promoting sustainable and inclusive economic growth, by maximising the impact of our cultural infrastructure and enabling cultural organisations to be more resilient and, through promoting a more resource efficient building.

Recommendations

- To authorise a fully funded injection of £268,631 into Capital Scheme No. 32019/ROO/000 and Authority to Spend on the proposed replacement/repair of areas of the roof of the Leeds Playhouse building.
- To authorise a revised works area plan be attached to the Site Access Licence Agreement completed between the City Council and Leeds Theatre Trust Ltd in recognition of the extended works area required to carry out the additional replacement/repair works to the roof of the Playhouse building.

Why is the proposal being put forward?

- Leeds Playhouse (the Playhouse) is a producing theatre and registered charity, whose dual aims are social and artistic. Since opening on its current site at Quarry Hill in 1990, the Playhouse has played a key role at the heart of regional culture, presenting a diverse and innovative programme of produced and received productions. The Playhouse remains true to its founding ethos, as a theatre for the people of Leeds
- The City Council's Executive Board at its meeting in July 2015 agreed as owner of the building to act as the lead in the management, procurement, and delivery of works to refurbish the building. Works to address the problem of rainwater ingress and the deteriorating condition of the roof of the building were originally included within the Playhouse refurbishment contract that was completed in September 2019. However, due to budget pressures arising from discoveries on site, it was necessary to review the nature and extent of the proposed works to achieve a budget compliant scope of works. In discussion and with the agreement of representatives of the Playhouse, it was decided to omit the planned roof works, with a view to such works either being added back during the life of the contract should the budget allow and, if not, to progress as a phase 2 package of works when funding permitted. Against this background, the contractor for the refurbishment works was instructed to undertake a limited programme of patch and repair. Whilst the work undertaken improved watertightness to a degree, it was never considered to be a long-term solution.
- In April 2022, the City Council agreed to the Playhouse's request that as the owner of the building and, having taken the lead in the successful delivery of the refurbishment project completed in September 2019, that the Council would take the lead in the management and delivery of a package of phase 2 works as originally envisaged when the roofing works were omitted from the earlier refurbishment project. Against this background, the Director of City Development approved a fully funded injection of £1.090m and Authority to Spend for the same on the replacement/repair of areas the roof namely, the building's main flat roof area, the mansard slate roof area, rooflight replacement and repair and mechanical and electrical works associated with the roof works. Work started on site on 5 September 2022, with completion scheduled for the end of March 2023.
- When authorising the above, the Director of City Development was advised that the proposed works, whilst addressing areas of urgent priority excluded works to the fly tower roof and areas over the Barber Studio and the Courtyard dressing rooms, but should the Playhouse be successful in its continued fundraising activity, that it would be the intention to seek to include such additional works to areas of the roof currently excluded from the contracted works to the

same specification as is being applied to the main roof, with all costs for such works being recovered in full from the Playhouse.

- 5 The Playhouse has confirmed that it has secured additional funding totalling £268,631 exclusive of VAT, but inclusive of fees and contingency to undertake the works detailed in paragraph 4 above which are currently excluded from the contracted works progressing on site.

What impact will this proposal have?

Wards affected: Little London and Woodhouse

Have Ward Members been consulted? Yes No

- 6 The proposal will reinforce the Council's commitment to working with established cultural organisations to become more resilient and the creation of an environment where they can flourish.

What consultation and engagement has taken place?

- 7 Executive Members for Resources and the Economy, Culture and Education were consulted on the original proposal for the Council to take the lead on the delivery of the roof works and, the fully funded injection into the Capital Programme and Authority to Spend and were supportive of the approach recommended
- 8 The Ward Members were consulted on the original proposal for the Council to take the lead on the delivery of the roof works and, the fully funded injection into the Capital Programme and Authority to Spend and were supportive of the approach recommended
- 9 The Council's Resources Department has been consulted in the preparation of the report.
- 10 The Board of Leeds Playhouse is supportive of the recommendation contained in the report

What are the resource implications?

- 11 The Playhouse has secured funding totalling £268,631 for the cost of the works, sourced from its own reserves and grant funding secured from a Charitable Trust. It will pass this funding to the Council in full to coincide with the Council authorising the inclusion of the additional works in the contract for the roof replacement/repair works currently progressing on site.
- 12 The Director of City Development should note that the Playhouse has confirmed that should the cost of the additional works increase due to unforeseen issues arising during the works, that the Council should cashflow the additional costs, with the Playhouse recompensing the Council in full by confirmation of practical completion of the works.

13 Capital Funding and Cashflow

Leeds Playhouse Roof replacement & repair works

Injection and Authority to Spend Feb 2022	TOTAL £000's	TO MARCH 2022 £000's	FORECAST		
			2022/23 £000's	2023/24 £000's	2024 & on £000's
CONSTRUCTION	1,038.0	0.0	1,038.0	0.0	0.0
DESIGN FEES	52.0	52.0	0.0	0.0	0.0
TOTALS	1,090.0	52.0	1,038.0	0.0	0.0
Injection and Authority to Spend required for this current approval	TOTAL £000's	TO MARCH 2022 £000's	FORECAST		
			2022/23 £000's	2023/24 £000's	2024 & on £000's
CONSTRUCTION	258.6	0.0	258.6	0.0	0.0
DESIGN FEES	10.0	0.0	10.0	0.0	0.0
TOTALS	268.6	0.0	268.6	0.0	0.0
Total overall Funding Corn Exchange Gateway	TOTAL £000's	TO MARCH 2022 £000's	FORECAST		
			2022/23 £000's	2023/24 £000's	2024 & on £000's
LCC Supported Borrowing	0.0	0.0	0.0	0.0	0.0
Government Grant	0.0	0.0	0.0	0.0	0.0
Leeds Playhouse	1,358.6	52.0	1,306.6	0.0	0.0
Total Confirmed Funding	1358.6	52.0	1306.6	0.0	0.0
Total Funding Balance	0.0	0.0	0.0	0.0	0.0

What are the legal implications?

- 14 The City Council and the Playhouse has entered into a funding agreement setting out the Playhouse's funding liability to the Council for the delivery of the works to the roof of the theatre building and, that a strategy to address any budget shortfall that may arise has been agreed.
- 15 The proposals forming the subject of this report constitute a Significant Operational Decision and, therefore, are not subject to Call In.
- 16 The Director of City Development should note that as a consequence of approving this report, there will be a need to revise the plan of the works area attached to the Site Access Licence Agreement completed between the City Council and Leeds Theatre Trust Ltd in recognition of the extended works area required to carry out the additional replacement/repair works to the roof of the Playhouse building.

What are the key risks and how are they being managed?

- 17 There is a risk that unforeseen costs may arise as opening up work for the additional roof areas commence on site. This risk cannot be completely mitigated as given the nature of the proposed works and the fact that the building is open, there was only a limited amount of intrusive survey work that could be undertaken before work commenced on site without adversely impacting on the operation of the building. For this reason, it is proposed to include a level of contingency provision commensurate with the risks that may only become apparent once works start and the existing roof coverings for the additional works are removed.
- 18 There is a risk that additional costs arising post inclusion of the works in the contract, which cannot be contained within the project's contingency allowance, may not be funded by the Playhouse in its entirety by completion of the project. If this was to be the case and the Playhouse could not meet its financial commitment to the Council by the agreed date, the option

exists to extend the period by which payment is to be made or, convert the shortfall to a loan repayable over an agreed period. The period of any loan would have to have regard to the ability of the Playhouse to meet the loan repayments as it continues its Covid-19 recovery programme.

Does this proposal support the council's three Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 19 The proposal supports strategic inclusive growth by supporting growth and investment in the cultural and creative sector and climate emergency through increased insulation in the roof and the replacement of old plant with more efficient units which will improve the energy performance of the building.
- 20 The Playhouse contributes a huge amount to community development and social inclusion agendas. Working across all ages, cultures and backgrounds, the Playhouse has a formidable track record for developing programmes that support the Council's Health and Wellbeing agenda, engaging with all communities, particularly the most marginalised and giving them a voice that would otherwise remain unheard.

Options, timescales and measuring success

What other options were considered?

- 21 The alternative option is for the Council not to instruct the additional works into the contract, leaving the responsibility with the Playhouse to progress at a later date. This would delay implementation of the works, increase costs and distract the Playhouse from focusing on its recovery plan from the impact of Covid-19 and, as such has been discounted.

How will success be measured?

- 22 The areas of the roof of the Playhouse to benefit from the proposed works will be watertight.
- 23 The proposed works will be completed on time and on budget.

What is the timetable for implementation?

- 24 Subject to approval of the recommendation contained in this report, the additional works will be instructed as a variation to the existing contract entered into by the Council for the roof replacement/repair works to the main theatre roof area. If the additional work is instructed before the end of 2022, the contractor has advised that the works can be completed within the current programme i.e., completion before the end of March 2023.

Appendices

- 25 None

Background papers

- 26 None