

# **Executive Committee**

## **13 September 2016**

### **Shire Hall Dorchester - Project Update**

*Confidential Appendix not for publication by virtue of Schedule 12A, Part 1 of The Local Government Act 1972, as amended. The public interest in maintaining the exemption outweighs the public interest in disclosing it.*

## **For Decision**

### **Portfolio Holder(s)**

Cllr Mary Penfold

### **Senior Leadership Team Contact:**

M Hamilton, Strategic Director

### **Report Author:**

S Cairns, Engineering Projects Manager

## **Purpose of Report**

- 1 (a) To report on revised tenders received for the main capital works to Shire Hall following the report to Executive Committee in August 2016, and to award the contract.

## **Officer Recommendations**

- 2 (a) That the tender for the capital works to Shire Hall be awarded to Greendale Construction

## **Reason for Decision**

- 3 To allow the contract to be awarded so that the capital works can commence on site in Autumn 2016. This enables work to start on site before the winter and removes the risk that the fabric of the building may deteriorate further.

## **Background and Reason Decision Needed**

- 4 A full design and specification for repairs and alteration of Shire Hall have been produced and tendered. These are in line with previously agreed plans and budgets to turn it into a permanent exhibition space and operational attraction. The capital works have been divided into four sections: main works; exhibition provision; café fitout; shop fitout and specialist stone conservation work.
- 5 This Report deals with the Main Works which form the bulk of the estimated cost and comprise complete building refurbishment, internal

alterations, complete removal and replacement of all mechanical and electrical services and decoration.

- 6 A restricted tendering process was carried out following pre-qualification with tenders sought from five contractors. A total of three tenders were returned. All three returned tenders were above the available budget and a paper was taken to the August Executive Meeting where an additional £206,000 of funding was approved.
- 7 Following the return of tenders, a Valuation Engineering exercise was carried out by WDDC and the SHDT and all three contractors were asked to reprice. Details of the tender returns, evaluation scores and revised contract sums are contained in confidential Appendix 1. The lowest tender is circa £35,000 above the budgeted contract sum figure but within the overall budget for the scheme. This current shortfall might be met by additional value engineering on other aspects of the project or additional funds secured and paid by others. However this shortfall and the absence of any contingency does represent a risk that members need to be aware of and recognise in awarding the contract.
- 8 WDDC officers are currently in discussion with the HLF regarding a possible small uplift in their grant but this decision will not be made until the December meeting of the HLF board. In addition the SHDT are being encouraged to accelerate fund raising activity.
- 9 If Greendale Construction is awarded the contract their programme is to start on site in November 2016 with the main capital works and be complete in 48 weeks.

## Implications

### 10 Corporate Plan

C2. Protecting and enhancing the built and natural environment  
d) Convert Shire Hall, Dorchester into a sustainable heritage visitor centre

### 11 Financial

The agreed budget for this project is £3.118m made up from WDDC approved budget of £1.306m, a Heritage Lottery Fund grant of £1.5m and a DCC grant of £100,000. The full contributions are as below.

West Dorset District Council – round 1 bid	£100,000
West Dorset District Council	£1,206,000
Heritage Lottery Fund	£1,500,000
Dorset County Council	£100,000
Additional fundraising required	£188,700
Non-cash contributions in kind (estimated value)	£23,500
<b>TOTAL</b>	<b>£3,118,200</b>

It is planned to tender the exhibition manufacture and installation works separately along with the Shire Hall shop and café fit out works. The HLF

grant also covers the employment of key staff and funds activities in Shire Hall for ten months after opening to the public. If this contract were to be awarded to Greendale Construction then the overall budget for the entire project would be approximately £35,000 in deficit and there will be no contingency sum in the budget. It would be normal practice with a project of this size and nature for a contingency sum of approximately 10% to be available.

Other support grants and funds will continue to be sought. For example, a bid has been submitted to the Dorset Local Enterprise Partnership (DLEP) for funding and it is hoped that the outcome of this will be announced later this year. The SH(D)T has an important role to play with regard to fundraising and will also be actively seeking opportunities to raise monies for Shire Hall.

## **12 Economic Development**

The renovation of Shire Hall and opening of the attraction to the public will be a boost to the economy of this part of Dorchester. This together with the County Museum's redevelopment plans will work alongside existing heritage/cultural operators such as Dorset Arts, The Keep, the Roman Townhouse and Dorset History Centre to rebrand this part of Dorchester as a cultural quarter.

## **13 Risk Management (including Health & Safety)**

Shire Hall is a Grade 1 listed building recognized as having special historical or architectural interest of international significance that is owned by WDDC and is currently empty. If it remains empty over another winter there is a risk that the fabric of the building will deteriorate further and more extensive, and consequently more expensive, repairs will be required.

There is a risk of starting work without a contingency sum available. Detailed surveys, designs and specifications have been carried out but there is a chance with an historic building, with much of the structure currently concealed that further works may be required. However it is considered that the risk of damage to the fabric and the reputational risk of not making progress outweighs this financial risk.

## **14 Consultation and Engagement**

Extensive consultation has been carried out being part of the first round of development work. Residents, visitors, schools, focus groups, local business owners, local attraction operators, Historic England, Dorset County Council, the HLF and other stakeholders have been involved in the development of this project

## **Appendices**

Appendix 1 Confidential Appendix

## **Footnote**

Issues relating to financial, environmental, economic and equalities implications have been considered and any information relevant to the decision is included within the report.

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