

**REPORT TO:** Executive Board  
**DATE:** 10 December 2015  
**REPORTING OFFICER:** Strategic Director, People & Economy  
**PORTFOLIO:** Economic Development  
**SUBJECT:** Norton Priory- Monastery to Museum 900 Project  
**WARD(S)** Borough-wide

**1.0 PURPOSE OF THE REPORT**

1.1 The purpose of this report is to inform members that the Operational Director for Economy, Enterprise and Property has accepted a tender relating to the rebuilding of Norton Priory Museum and a contract has been entered into with the successful contractor.

**2.0 RECOMMENDATION: That Members note that the tender submitted by HH Smith & Sons Ltd has been accepted by the Operational Director for Economy, Enterprise and Property and a contract has been entered into, with a contract sum of £2,676,912.**

**3.0 SUPPORTING INFORMATION**

3.1 Executive Board previously approved a report dated 20 November 2014 with regards the proposed procurement exercise in respect of the above. The report outlined that the total estimated cost of the project was £4.478m, £3.67m being provided by Heritage Lottery, the remaining match funding being provided by Norton Priory Trust.

3.2 Tenders were invited from six contractors in a two stage tendering process, designed to ensure that the contractor offering 'best value' was appointed to carry out the project. The first stage entailed the contractors pricing up various work packages together with them submitting their prelims and overheads and profit rates.

3.3 Only 2 tenders were received by the closing date, these being from William Anelay and HH Smith & Sons respectively, the amounts being as follows:-

William Anelay	£3,422,560.73
HH Smith & Sons	£3,120,201.00

3.4 The tenders were invited on an 80/20 price/quality assessment criteria, and following the quality assessment the overall results were as follows:-

William Anelay	66.1%
HH Smith & Sons	72.1%

3.5 As a result of the above HH Smith & Sons were taken through to stage 2 of the procurement process subject to a value engineering exercise being undertaken to get the project within the available budget.

3.6 Due to the tender figure being well in excess of the original budget available for the main construction work an application was submitted to the Heritage Lottery Fund (HLF) for additional funding. HLF confirmed approval to the additional funding of £312,800 on 21<sup>st</sup> July as such the available budget for the main construction work was increased to £2,676,912.

3.7 The value engineering exercise undertaken in conjunction with the contractor has generated a reduction in the tender sum of £443,295 making the revised/reduced tender figure £2,676,912 in-line with the HLF approved budget. The VE exercise has also been carried out without affecting the overall quality and design as such the reduction will not have any material impact on the finished building.

#### 4.0 **POLICY IMPLICATIONS**

4.1 None

#### 5.0 **OTHER/FINANCIAL IMPLICATIONS**

5.1 The Council have approved a loan of up to £300,000 to the Trust (Executive Board Minute EXB 167, 13 March 2014) it has also agreed in principle to fund the installation of a biomass boiler at an estimated cost of £100,000. This will generate an annual revenue income for the Council due to the Government's Renewable Heat Incentive Scheme (RHI), which over the 20 year lifetime of the scheme will generate an estimated income of £383,000. (Executive Board Minute EXB 68, 2 October 2014).

6.0 **IMPLICATIONS FOR THE COUNCIL'S PRIORITIES**

6.1 **Children & Young People in Halton**

None

6.2 **Employment, Learning & Skills in Halton**

A provision for providing some form of work related opportunity for unemployed locals was included in the contract and we are currently in discussion with the contractor to establish the extent of the provision available.

The newly refurbished museum will also provide a greatly enhanced experience for visitors and it is predicted that visitor numbers will increase from circa 34,000 per annum to 55,000 per annum.

6.3 **A Healthy Halton**

None

6.4 **A Safer Halton**

None

6.5 **Halton's Urban Renewal**

None

7.0 **RISK ANALYSIS**

7.1 There are no significant risks to the authority associated with accepting the tender and proceeding with the works as the funding gap has been closed by a combination of value engineering and securing additional funding from Heritage Lottery.

8.0 **EQUITY & DIVERSITY ISSUES**

8.1 **None**

9.0 **LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972**

None under the meaning of the act