

<b>Title of Report:</b>	<b>Heritage Lottery Fund Grant for Shaw House</b>	<b>Item 12</b>
<b>Report to be considered by:</b>	<b>Executive</b>	
<b>Forward Plan Ref:</b>	EX0802	

<b>Corporate Plan Priority:</b>	<b>CP4: maintaining high standards of educational achievement across all our schools; CP9: improving environmental resource management; CP10: creating attractive and vibrant town centres</b>
The proposals contained in this report will help to achieve the above Corporate Plan priority by:	
(a) <i>Providing fit for purpose accommodation for the continuing professional development of teachers and other employees who work with children and young people. Upgrading the physical education facilities of Trinity School to comply with DfES and Sport England standards and improving class management. Providing a wide range of adult and community learning opportunities</i>	
(b) <i>Ensuring that a Grade I listed heritage building is restored and put into productive use and reducing the operating costs of inadequate and time experienced sports buildings.</i>	
(c) <i>Contributing to the diversity of visitor attractions that encourage the growth of the local tourism economy.</i>	

**Purpose of Report:**

**To Update Executive Members on the outcome of this application for grant funding and agree further actions that are required.**

**Recommended Action:**

**That invitations to tender should be dispatched to those companies that have been recommended for inclusion on the select tender list.**

**Reason for decision to be taken:**

- In order to determine an accurate cost for the restoration work to Shaw House and to obtain best value through seeking competitive tenders.

**List of other options considered:**

- Procurement for a contract of this value is subject to EU legislation. The recommended action is fully compliant with that legislation and no other options have therefore been considered.

**Key background documentation:**

- Stage One Application to Heritage Lottery Fund
- Stage Two Application to Heritage Lottery Fund
- Report to WBC Executive 23<sup>rd</sup> October 2003
- Planning Applications 03/02336/FUL, 03/02328/LBC, 04/01308/FULMAJ, 04/00622/OUTMAJ

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## Implications

### Policy:

In 1999, West Berkshire Council and English Heritage agreed a conservation plan for Shaw House and the historic grounds to the property. This plan recognised the need for some separation of the heritage asset and the operational areas of Trinity School. The work already undertaken to provide high quality permanent accommodation to replace the village of mobile classrooms, and the construction of new car parking and an artificial turf sports pitch, has already delivered some of the aspirations of that plan. This project will complete the restoration of the house and it's setting.

Although the project will contribute to the realisation of some of the Council's key priorities, there are a number of planning issues that mean that this project will need to argue for an exception to policy. The land identified for disposal is also a designated playing field and will therefore need to satisfy both the DfES and the DCMS that the sale should be allowed.

It is believed that there are sound planning arguments with which to advance the case for an exception.

The planning applications will be determined on their merits as part of the normal planning process. As West Berkshire Council will make the applications for a development in its own ownership, they will also be scrutinised by the Government Office for the South East.

### Financial:

The purpose of this report is to note the offer of a grant to the value of £4.195m from the Heritage Lottery Fund and to seek approval to invite tenders for the restoration work. At this stage there are no financial implications outside of previously allocated budgets.

Further financial detail about land values and the construction costs for the replacement sports hall will be available later this summer and a decision on whether the whole project is affordable will need to be taken at the Executive meeting in September.

### Personnel:

Completion of this project will create employment opportunities at Shaw House for staff whose positions at Ufton Court would be threatened by the closure of that facility. Staff currently employed at the West Berkshire Education Centre and Peake House will need to relocate. This relocation will be to a much improved working environment in comparison to their current situations.

The restored house will also provided a venue for personal development opportunities for all West Berkshire employees and the employees of other local, regional and national organisations.

Work to develop the project to this stage has been undertaken by a combination of appointed consultants, staff in the Amey West Berkshire property team and staff in the Culture and Youth Service. Representatives from Highways, Planning, Finance, Countryside and Environment, and Trinity School have also contributed to the overall development of the shape and scale of the project. As with any project of this complexity, the internal personnel resources required to deliver the project, should it proceed to implementation, will be considerable.

**Legal:** The main tender documents and specifications for the restoration works will be completed by the architectural consultants. However, there will need to be some scrutiny of the process by the Council's own legal advisors.

**Property:** Shaw House is a Grade I listed property dating from the sixteenth century. The house is nationally important example of an Elizabethan gentry house which has retained much of its original form and fabric. The house is one of three buildings in West Berkshire on the English Heritage Buildings at Risk Register (grade C). The other two are in private ownership. This category of buildings are identified as those where there is "slow decay and no solution agreed with English Heritage for its future". Only a Grade D classification "imminent danger of collapse" is a higher cause for concern.

The surrounding gardens are included on English Heritage's Register of Parks and Gardens as Grade II. Recent research has established that the raised terrace is a particularly rare example as some of the original yew trees also survive. This raised terrace is currently under consideration by English Heritage as a Scheduled Monument. This will bring a duty of care to a monument that is currently neither managed or interpreted archaeologically.

The restoration of Shaw House will fulfil the Council's statutory obligation to preserve this listed Grade 1 building. Moreover, the present project will remove Shaw House from English Heritage's 'Buildings at Risk' register.

The restoration of the house and gardens is included in the approved WBC Asset Management Plan.

**Risk** The main element of risk in proceeding to tender lies in the possibility of claims for abortive costs if WBC does not proceed to let a contract for the works. Contractors would have to show as a minimum that the Council never intended to proceed with these works in order to justify a claim for recovery of the costs that they have incurred in completing the tender documentation.

In the view of both the Head of Property Services and the Head of Legal Services this outcome is seen as being a very low risk.

## Supporting Information

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### 1. Background

- 1.1 In a report considered by the Executive at their meeting of 23<sup>rd</sup> October 2003, it was resolved that a stage two application for grant support should be submitted to the Heritage Lottery Fund in order to restore Shaw House and its gardens. The trustees of the Heritage Lottery Fund met on Tuesday 22<sup>nd</sup> June 2004 and approved a grant of £4,195,000 for this project. This sum is £518,000 less than our application had requested.

During the scrutiny process the Heritage Lottery Fund questioned a number of elements of the scheme. Although they recognised the value of each element in the quality of the overall project, they were anxious to reduce the grant request to the level of the stage one approval.

The stage one approval effectively earmarks an allocation of funding against the resources available in the year in which the application was considered. Although this is considered as a soft commitment, it is backed by an actual allocation of budget on the balance sheets.

An increase in grant requires a new allocation against the current years budget. The scheme therefore needs to be considered against the importance and quality of other schemes and prioritised accordingly. At this stage in the financial year the Heritage Lottery Fund are unable to confirm that this scheme warrants additional resources at the expense of other projects and would therefore need to defer consideration to later in the year. They are aware of the financial impacts of a further delay on this project and in order to progress matters they have requested that the following items are removed from the works at this stage.

(i)	Removal of hard surfaces in formal garden area and tarmac around the house.	£90,000
(ii)	Further archaeological investigation after removal of hard surfaces and in Shaw River Park	£40,000
(iii)	Archaeological excavation of limited areas to answer specific questions raised by previous research and recording.	£15,000
(iv)	Development of costed garden design scheme.	£35,000
(v)	Implementation of Phase One of the Scheme in the area of the Great Garden immediately surrounding the house.	£120,000
(vi)	Number of items relating to restoration of house, e.g. replace roof on rear link corridor on a like for like basis rather than higher specification and no longer have requirement to lower floor level in basement in order to increase head height.	£91,000
(vii)	Undertake no restoration work to the stable block	£30,000
(viii)	Reduce spend on interpretation	£35,000
(ix)	Saving on professional fees resulting from lower overall project costs	£40,000
	Total Savings identified (including adjusted contingency and inflation)	£518,000

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It is possible to remove these elements without a significant effect on the house restoration, interpretation and opening. However there is a detrimental effect to the overall scheme in not improving access from the car park and improving the setting of the house. Heritage Lottery Fund have indicated that they anticipate this Council submitting a separate grant application for a comprehensive restoration of the gardens at some time in the future.

## 2. Where Next?

2.1 Although the offer of a grant is a massive step forward in progressing this project, there are still a number of outstanding issues that need to be resolved before West Berkshire Council can instruct contractors to start on site. A fully restored and operational Shaw House can only be achieved if:-

- A planning application is approved for
  - (i) A replacement sports hall on land to the South of Love Lane (Downlands Area Planning Committee 11<sup>th</sup> August 2004).
  - (ii) Housing development on land to the North of Love Lane between Stable Court and the rear of Kingsley Close (Downlands Area Planning Committee 11<sup>th</sup> August 2004).
  - (iii) Housing Development on land at the junction of Fir Tree Lane and Turnpike Road (Newbury Area Planning Committee 28<sup>th</sup> July 2004).
- The land proposed as the site for the new indoor sports facilities and outdoor courts can be purchased from the existing owners.
- Purchasers can be found for the land allocated for new housing development.
- A balanced budget position can be achieved between the overall cost of restoration and associated works, and the resources available from the Heritage Lottery Fund grant, the capital receipts from disposals and the previously earmarked contributions from Berkshire County Council and Vodafone.

2.2 A timetable is already in place to test the validity of the planning applications. A separate report on tonight's agenda considers the current position in relation to land acquisition. Issues relating to land disposals can only be considered once the planning applications have been determined. It is in relation to the final bullet point, financial viability, that the greatest uncertainty remains.

The single biggest element in establishing the overall financial viability of the project is determining the actual cost of the restoration of the house. This will be achieved by examining the detailed responses of companies tendering for the work. On the 2<sup>nd</sup> Dec 2003 an OJEU Notice was posted seeking expressions of interest from contractors who might wish to be considered for inclusion on a select list of tenderers for the restoration of Shaw House. The Notice was closed on the 5<sup>th</sup> January 2004 and resulted in 12 companies expressing an interest in carrying out the works. All twelve companies were then sent the standard West Berkshire Council Procurement 'Select Supplier Status' application pack. This pack contained questions relating to financial standing, turnover, experience of working with local government and general company policy. The pack had to be returned with relevant references. Along with the above, the application pack included technical questions specific to the Shaw House project; these questions were matrix weighted in terms of possible maximum scores that would be evaluated on return of the application packs. Once WBC Procurement had evaluated the returned application packs in terms of financial standing, the technical questions were then scored by an evaluation team consisting of the lead architect of Purcell Miller Tritton, the Shaw

House Project Manager from the Property team of Amey West Berkshire and the Council's Heritage & Tourism Manager. This evaluation was overseen by a representative of the Councils Contract Support Service. The evaluation process resulted in five companies being placed on a select tender list;

Interior / Exterior plc,  
Linford Bridgeman Ltd,  
W. Sapcote & Sons Ltd,  
Mansell Construction Services Ltd  
The Kier Group.

These companies have been informed that they have been placed on a select tender list and that they must await Tender Documentation pending Executive approval.

- 2.3 Subject to approval of the recommendation to this report, the deadline for tender returns will be 27th August. A tender evaluation period will then allow a further report to be considered at the meeting of the Executive scheduled for 9th September. It is not anticipated that the Executive meeting in September will be in a position to appoint a contractor. At that stage contract prices will be known and the viability of the project will have been established. Those companies submitting bids that appear to offer the best value will be invited for interview in the week following the Executive meeting. Arrangements will be made for Member involvement in the interview process.

The outcome of the planning applications and land transactions will also be known by September. The only element of the project that will not have moved into the final project planning phase will be the tender price for the new sports hall. However, the quantity surveyors working with the architects for this element of the project are confident that they will have a detailed understanding of the building design and specification and that this will allow them to develop a robust cost plan for the project. The meeting in September therefore becomes the trigger date at which West Berkshire Council needs to consider the overall financial viability of the project and approve entering into binding contractual commitments.

## **Appendices**

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None.

## **Consultation Responses**

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### **Local Stakeholders:**

The Shaw House Project Management Board includes representatives from Trinity School, St. Mary's Church, Shaw cum Donnington Parish Council, the WBC Ward Member, and the Executive Member for Children and Young People. This Board has recommended the proposals set out in the business case and plan.

Earlier this year, an explanatory was delivered to householders in properties adjacent to Shaw House, Trinity School and that part of the school playing fields included in the overall project design. Included with this letter were information sheets outlining the scope of the project and the timetable for decisions.

An exhibition about the history of Shaw House and the plans for the restoration was held in Newbury Museum in November 2003.

**Officers Consulted:** Chief Executive  
Corporate Director Strategy and Commissioning  
Corporate Director Children and Young People  
Head of Highways and Engineering  
Head of Planning and Transport Strategy  
Head of Legal Services  
Head of Property Services  
Head of Resources.

**Trade Union:** No formal consultation at this stage.