



## CABINET REPORT

<b>Report Title</b>	<b>DELAPRE ABBEY RESTORATION PROJECT</b>
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**AGENDA STATUS: PUBLIC**

<b>Cabinet Meeting Date:</b>	8 February 2017
<b>Key Decision:</b>	Yes
<b>Within Policy:</b>	Yes
<b>Policy Document:</b>	No
<b>Directorate:</b>	Regeneration, Enterprise and Planning
<b>Accountable Cabinet Member:</b>	Cllr Tim Hadland
<b>Ward(s)</b>	Delapre

### 1. Purpose

- 1.1 To seek approval from Cabinet to fund the estimated capital overspend on the restoration works at Delapre Abbey, particularly in relation to the contracted works with Robert Woodhead Ltd (RWL) and the additional works required to meet further security and fire protection costs.

### 2. Recommendations

That Cabinet:

- 2.1 Approves an additional sum up to £650,000 to complete the construction works at Delapre Abbey to be funded from underspends identified elsewhere in the capital programme as part of the overall monitoring for 2016/17.
- 2.2 Assists the Delapre Abbey Preservation Trust (DAPT) to ensure a successful opening and ongoing viability of the restored Abbey.

### **3. Issues and Choices**

#### **3.1 Report Background**

- 3.1.1 The restoration of the Grade II\* Listed Delapre Abbey is a key heritage project for the Council and will see the Abbey opened to the public for the first time in its 900 year history
- 3.1.2 The Abbey will open offering educational spaces, a shop, exhibition space, a cafe/restaurant as well as offering a specific exhibition around the Battle of Northampton as part of the Wars of the Roses which was fought in Delapre Park in 1460.
- 3.1.3 The Abbey will enhance the public park in that it will include improved public convenience toilets and increase the usage of the park whilst attracting regional and national visitors to Northampton.
- 3.1.4 Close links are being developed between the Trust who will operate the Abbey and the Museums Service to ensure compatibility and joint working.
- 3.1.5 Cabinet will be aware that the Council was awarded £3.6m of Heritage Lottery Funding (HLF) towards the overall project costs, the restoration works and activity costs. The bid was agreed by Cabinet on the 8<sup>th</sup> May 2013.
- 3.1.6 Cabinet previously considered and approved reports on 21<sup>st</sup> October 2015, and 13<sup>th</sup> April 2016 and 7<sup>th</sup> December 2016 regarding project progress and necessary decisions.

#### **3.2 Issues**

- 3.2.1 As reported to Cabinet in December and January, a cost assessment has been ongoing to establish a final account position with regards to the construction works at Delapre Abbey. The construction works are split between the contracted works being undertaken by RWL and the uncontracted works that are being procured by the Borough Council and delivered by other contractors.
- 3.2.2 The contracted works being delivered by RWL were originally forecast at £4,856,500, within a total project cost of £5,625,733. Following previous reports to Cabinet, the RWL contract budget has been increased to £5.619m within a total project budget of 7.084m. Latest forecasts have the final account of the RWL contracted works at £6.1m with a draft settlement agreed with RWL. This draft settlement results in a budget overspend of £0.481m on the RWL contract. The final cost position of RWL is not contractually due until 6 months post practical completion of the works; however discussions have been progressed to establish the position earlier so to inform Cabinet appropriately. Practical completion is scheduled for the end of February.

- 3.2.3 The construction works outside of the RWL contract include additional car parking, works to Delapre Lodge, a water tank to meet the required fire safety regulation standards, external lighting, gates and enhanced security; predominantly through CCTV. There is no budget in place for expenditure on the water tank, external lighting or gates. These items are currently forecast at £0.133m, however the procurement exercise has not yet completed.
- 3.2.4 Whilst awaiting the final tender information on the additional works outside of the RWL contract, the total capital project variance is forecast to be up to £650,000. However a final position is yet to be established.

### **3.3 Choices (Options)**

- 3.3.1 Cabinet can choose to approve the additional funding to complete the construction works at the Abbey. This would enable the Authority to satisfy its contractual obligations with RWL, and complete the additional security and fire resilience works to enable the Abbey to open to the public. This would be funded from underspends in the 2016/17 programme identified as part of the overall capital monitoring as being reported to cabinet in February 2017.
- 3.3.2 Cabinet could choose not to provide the additional funding. This would leave the Authority in breach of contract with RWL. This would mean that the authority could not achieve the relevant permissions with regards to building regulations, fire safety and premises license and therefore it would not be able to be opened to the public.

## **4. Implications (including financial implications)**

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### **4.1.1 Policy**

- 4.1.1 The recommendations within this report do not set policy or have implications on existing policies.

### **4.2 Resources and Risk**

#### Risks

- 4.2.1 The Council is contractually bound to pay RWL to complete the restoration works and as such must continue to fund the required works until completion. As such additional capital funding of up to £650,000 is required to enable the Authority to fulfil its contractual responsibilities. If the funding is not approved the Authority will be in breach of contract.
- 4.2.2 The additional capital works outside of the RWL contract are required to satisfy fire safety, building regulations and the ongoing functionality of the Abbey post opening. Non completion of these works will mean the Abbey does not meet the listed regulations or achieve a premises license; as such the Abbey will not be able to open to the public.

- 4.2.3 Failure to complete the restoration to the standard set by the HLF within the funding approval could result in the HLF seeking repayment of some or the entire grant amount. The Authority would, in this scenario, be required to fund any repayment. The HLF are currently committed to £3.6m of funding.

### Resources

- 4.2.3 This report identifies up to £650,000 capital implication for the Authority. This will be funded from underspends within the 2016/17 capital programme. However, it should be noted there will be an impact on the draft Capital Programme 2017/22 issued for consultation at Cabinet on 14th December 2016 as this programme reflected the underspends being used to finance the additional costs at Delapre. The updated capital programme for 2017/22 will be proposed at the cabinet meeting on 15th February.

## **4.3 Legal**

Paragraphs 4.2.1 and 4.2.2 of this report set out the legal implications and risks should the additional works not be funded.

## **4.4 Equality and Health**

- 4.4.1 No specific health or equality matters have been raised by these proposals.

## **4.5 Consultees (Internal and External)**

- 4.5.1 Council officers, the DAPT Director and LGSS Finance have all been involved within the review of the additional capital works required and there has been regular liaison with DAPT Trustees and HLF officers. Purcell and their appointed QS Sweets work for the Authority to monitor the expenditure and forecasts of the appointed contractor.

## **4.6 How the Proposals deliver Priority Outcomes**

- 4.6.1 The successful restoration of the Grade II\* listed Delapre Abbey is the key heritage priority for the Council.

## **4.7 Other Implications**

- 4.7.1 None

## **5. Background Papers**

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- 5.1 Cabinet Report dated the 8<sup>th</sup> May 2013, 21<sup>st</sup> October 2015, April 2016, 7<sup>th</sup> December 2016 and 11<sup>th</sup> January 2017.

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## Appendix 1. Project Expenditure Summary Table

Project Expenditure as at 16th December 2016	Original Project Budget	NBC Approved Additional Funding	Budget Virements	Total Approved Cabinet Budget	Project Actual To Date	Forecast Totals	Forecast Project Variance
<b>Restoration Project (BA653)</b>							
Delapre Construction Work	£4,756,500	£762,471	£100,000	£5,618,971	£5,517,266	£6,100,000	£481,029
Interpretive Exhibitions	£198,010	£0		£198,010	£146,770	£198,010	£0
Fittings, Furnishings, Equipment	£107,800	£0		£107,800	£960	£107,800	£0
Design Team	£492,749	£70,100	£20,000	£582,849	£554,670	£589,026	£6,176
Interpretive Design Fees	£31,073	£0		£31,073	£25,975	£31,073	£0
Archaeology	£39,600	£25,900		£65,500	£45,454	£65,500	£0
<b>SUB-TOTAL</b>	<b>£5,625,732</b>	<b>£858,471</b>	<b>£120,000</b>	<b>£6,604,203</b>	<b>£6,291,095</b>	<b>£7,091,409</b>	<b>£487,205</b>
<b>Additional Works (BA653)</b>							
Retail Space	£50,000	£0		£50,000	£0	£50,000	£0
Education Space	£45,000	£0	£-20,000	£25,000	£16,506	£25,000	£0
Superfast Broadband	£30,000	£0		£30,000	£7,100	£30,000	£0
Commercial Kitchen Fit-out	£100,000	£0	£-100,000	£0	£0	£0	£0
<b>SUB-TOTAL</b>	<b>£225,000</b>	<b>£0</b>	<b>£-120,000</b>	<b>£105,000</b>	<b>£23,606</b>	<b>£105,000</b>	<b>£0</b>
<b>Infrastructure Project (BA224)</b>							
Add' Car Parking incl' Security	£225,000	£75,000		£300,000	£15,231	£265,000	£-35,000
Delapre Lodge	£75,000	£0		£75,000	£25,599	£75,000	£0
<b>SUB-TOTAL</b>	<b>£300,000</b>	<b>£75,000</b>	<b>£0</b>	<b>£375,000</b>	<b>£40,830</b>	<b>£340,000</b>	<b>£-35,000</b>
<b>Additional items not budgeted</b>							
Servery	£0	£65,000	£0	£65,000	£0	£65,000	£0
Watertank	£0	£0	£0	£0	£0	£45,000	£45,000
External Lighting - Car Park	£0	£0	£0	£0	£0	£20,000	£20,000
External Lighting - Abbey	£0	£0	£0	£0	£0	£38,000	£38,000
Gates	£0	£0	£0	£0	£0	£30,000	£30,000
<b>SUB-TOTAL</b>	<b>£0</b>	<b>£65,000</b>	<b>£0</b>	<b>£65,000</b>	<b>£0</b>	<b>£198,000</b>	<b>£133,000</b>
<b>PROJECT TOTAL</b>	<b>£6,150,732</b>	<b>£998,471</b>	<b>£0</b>	<b>£7,149,203</b>	<b>£6,355,530</b>	<b>£7,734,409</b>	<b>£585,205</b>