

North Yorkshire Council

Corporate Director Community Development

22 November 2024

Old Town Hall and Market Place, Whitby construction works contract award

1.0 PURPOSE OF REPORT

- 1.1 To appoint and enter into contract with the chosen supplier for the Old Town Hall and Market Place project constructions works.

2.0 BACKGROUND

- 2.1 The redevelopment of the Grade II* Listed Old Town Hall building and Market Place, Whitby was one of six priority projects chosen to be delivered through the Whitby Town Deal and received funding of £1 million from the Government's Towns Fund programme in June 2022.
- 2.2 Planning and Listed Building consent was received in July 2023 to repair and refurbish the Old Town hall building, re-landscape the Market Place and install anchor points for traders.
- 2.3 Align Property Partners were procured in August 2023 to take the project from RIBA Stage 4 (technical design) through to RIBA Stage 6 (handover).
- 2.4 The original tender period closed on the 3rd May 2024 with four tenders received. Unfortunately, these were all above available budget and so project de-scoping took place and a tender addendum issued to the market. The revised tenders were received on the 4th October 2024.

3.0 GRADE II* LISTED OLD TOWN HALL AND MARKET PLACE PROJECT

- 3.1 The Old Town Hall building and Market Place in Whitby is owned by North Yorkshire Council. It is Grade II* Listed, built in 1788. The building comprises of a first-floor chamber, an attic that houses the Clock Tower mechanisms and an open 'Undercroft'. Over the years, the building has seen many uses but has been vacant since 2017 due to the poor condition of the building and lack of services/facilities contained within.
- 3.2 The project to repair and refurbish the building was included within the Whitby Town Investment Plan which was submitted to central Government in October 2020. Following the notification that Whitby would receive £17.1m from the Towns Fund programme, the Whitby Town Deal Board selected the project as one of its priority projects to move forward and receive £1 million Town Deal funding.

- 3.3 Listed Building and Planning consent was granted in July 2023 and Align Property Partners were appointed to develop and oversee the project from RIBA Stage 4 to RIBA Stage 6 including the preparation and release of the tender pack, evaluation of the tender prices and oversee the works as contract manager.
- 3.4 The revised tender period closed on the 4th October 2024 and four returns have been received in response to the tender which were priced at:
- Tenderer A: £695,596.00
 - Tenderer B: £756,775.79
 - Tenderer C: £788,198.26
 - Tenderer D: £1,422,409

The lowest three tenders are all within 20% of the estimated price. Rates and prices have been checked by Align Property Partners and have been found to be reasonable with no adjustments required.

- 3.5 The quality submission of the tenders has been assessed by a panel of North Yorkshire Council Officers, overseen by the appointed Procurement Officer, following the Procurement and Contract Procedure rules within the Council's Constitution.
- 3.6 Following evaluation of both the quality and price elements of the tender submissions, Align Property Partners produced a tender report, attached at Appendix A, which confirmed that the tender received from Tenderer C in the sum of £788,198.26, ranked 1, is recommended for acceptance. It has been checked, is arithmetically correct and is suitable for entering into a contract.
- 3.7 However, all tender returns received were still above available budget and the costs are detailed within section 6 of this report. To award Tenderer C the contract award sees a budget shortfall of £125,780.20 To alleviate this shortfall, NYC will provide and confirm match funding towards the project before notification of the contract award and completion of the contract.
- 3.8 The Council and Align Property Partners had already value engineered and de-scoped the project in an attempt to bring the total construction works costs within the available budget. However, the revised tenders were still returned above budget and had only varied marginally which indicates that costs within the construction industry are still rising rapidly.
- 3.9 Due to the nature of the project, restoring an historically important Grade II* Listed building requiring the use of materials in keeping with its setting and the extensive repairs needed to the roof structures to make the building water tight, no other value engineering can take place without significantly impacting on the quality and performance of the building.

4.0 CONTRIBUTION TO COUNCIL PRIORITIES

- 4.1 The Old Town Hall and Market Place project contributes to the following Council priorities:
- Place and Environment: A clean, environmentally sustainable, and attractive place to live, work and visit.
 - Economy: Culture, heritage, arts and sustainable tourism playing their part in the economic growth of the country.

5.0 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 All procurement routes were considered when issuing the contractor tender including an open tender process. Due to restricted timescales with the Towns Fund programme and the impact of LGR on resources and capacity, it was agreed that the most appropriate route to procure was using the YorBuild 3 minor works framework.
- 5.2 The Council could reissue the tender pack for the construction works through an open tender process to see if more responses would be received through this route that could potentially be lower than the current tender prices submitted. However, this would significantly impact on timescales and put project completion before March 2026 at risk. It is also very unlikely to see significant savings with the tender prices due to the cost to reissue and three of the tender submissions were all within 7% of each other which shows a good indication of current market prices.

6.0 FINANCIAL IMPLICATIONS

- 6.1 The Old Town Hall and Market Place project received £1 million funding from the Towns Fund through the Whitby Town Deal programme. To date, the project has spent within its assigned budget allocations and made savings within some areas of spend during project development.
- 6.2 There is currently £792,407.06 remaining of the Towns Fund grant.
- 6.3 The total budget allocated to the construction works tender was £570,515 with the remainder of the budget allocated towards development and design, professional fees, surveys, project management and an allowance for contingency and inflation.
- 6.4 Upon analysis of the tender returns, the winning tender is priced at £788,198.26. This is a difference of +£217,683.26 on the budget allocated of £570,515. However, when considering the contingency and inflation percentage set aside for the project, and savings made within other areas of the budget, this reduces the shortfall to £125,778.20.
- 6.5 The breakdown of costs are as follows:

Item	Costs incurred to date	Costs expected 2024/25
Total construction works costs		£788,198.26
Contingency		£79,800
Inflation		0
Project and Programme Management	£101,187.00	£19,429.00
Professional Fees	£101,630.00	£30,452.00
Surveys & Investigations	£4,310.44	£306.00
Capital Expenditure total	£207,592.94	£918,185.26

- 6.6 As can be seen from the table, the updated costs expected for 2024/25 based on the tender price returned are £918,185.26. A 10% contingency has still been kept in the budget in the event of any unforeseen costs. This is a difference of £125,778.20 on the remaining Towns Fund grant of £792,407.06 and leaves a budget shortfall.

- 6.7 At the Executive meeting on 19 November, it was agreed to fund additional budget of £126k from the Council Strategic Capacity Reserve to allow a contract award with the preferred bidder and prevent any further delay. The Towns Fund programme will be kept under review to determine if some, or all, of the additional budget can be funded from the Towns Fund programme.
- 6.8 The project will retain a £79,800 contingency. If this contingency is not required to be utilised by the project, then this amount will reduce the call on the Strategic Capacity Reserve.

7.0 LEGAL IMPLICATIONS

- 7.1 The Council is able to undertake this project by virtue of its general power of competence and well-being powers.
- 7.2 The Council will utilise a JCT Intermediate Building Contract with Contractors Design 2016. This is an industry standard contract. The Council's Legal service will need to prepare and issue the contract for signature.
- 7.3 In line with the Procurement and Contract procedure rules, the contract details must be published on the Contract Register and Contracts Finder.
- 7.4 Contract management will be undertaken by Align Property Partners to monitor and review the performance of the Contract and hold regular review meetings with the contractor.
- 7.5 However, the contract is between the contractor and the Council and therefore the Council is responsible for all legal risks and liabilities associated with the Contract.

8.0 EQUALITIES IMPLICATIONS

- 8.1 The Old Town Hall building is a Grade II* Listed building. Improvements and changes that can be made to the building are limited due to its high significance.
- 8.2 The project has been able to lower the entrance on the east elevation of the undercroft to bring it in line with the pavement and therefore allow easier access from this entrance point. The project has also been able to install an accessible toilet within the first floor. However, access to the first floor is constrained via a narrow spiral staircase and less abled bodied individuals would struggle to access this staircase and there is no access at all for individuals that require the use of a wheelchair.
- 8.3 The project does not improve, or make worse, access to the first floor but does improve access to the undercroft, therefore it is considered to have a positive impact on individuals that suffer from a physical disability.
- 8.4 The proposal to use the Old Town Hall building as a heritage and cultural facility with a number of free to enter events for residents provides a positive benefit for economically disadvantaged individuals in being able to access arts, culture and heritage thereby improving well-being.
- 8.5 The project does not cause any negative impacts on any other disadvantaged groups.
- 8.6 See Equalities Impact Assessment at Appendix B.

9.0 CLIMATE CHANGE IMPLICATIONS

- 9.1 The Old Town Hall building is a Grade II* Listed building. Improvements and changes that can be made to the building are limited due to its high significance and the high risk of harm. The building was built in 1788 and has no 'modern day' technology or systems contained within it.
- 9.2 Because the building will be brought back in to use it will begin to contribute to carbon emissions through its operation. However, the building will install secondary glazing and better insulation within the roof space to reduce the potential for heat loss.
- 9.3 The building does not have a gas supply therefore it is a net zero ready building due to only utilising electricity which will be provided through renewable energy sources and does not need to decarbonise.
- 9.4 North Yorkshire Council encourages good construction practice and the contractor for the works will follow the waste hierarchy where re-use or recycle are the first considerations over disposal. We anticipate that over 50% of the existing materials will be reused. New stone required for repairs has been sourced from a local quarry just 4.5miles away from the project site which reduces transportation emissions.
- 9.5 See Climate Impact Assessment at Appendix C.

10.0 CONCLUSIONS

- 10.1 The Whitby Town Deal funding provides the Council with the opportunity to secure the structural integrity of one of its key heritage assets and bring it back to a useable condition.
- 10.2 If approval to award the contract is not granted, the project cannot proceed. This puts the Old Town Hall building at significant risk of deterioration beyond repair which is a council asset and liability, and Whitby would lose both a significant heritage asset and the Towns Fund investment.
- 10.3 A contingency amount has been left in the budget for any other further unforeseen costs or cost rises but there is a risk that if an unforeseen event was to occur that the contingency amount does not cover, further funding would need to be found. If the contingency was not used, it would revert back to council budgets.

11.0 REASONS FOR RECOMMENDATIONS

- 11.1 To enable a contractor to be appointed to undertake the construction works for the Old Town Hall and Market Place project.

12.0 RECOMMENDATION(S)

- i) To approve the entering into contract with Tenderer C for the value of £788,198.26 to deliver the construction works on the Old Town Hall and Market Place, Whitby project.

APPENDICES:

- Appendix A – Tender analysis report (confidential – not for publication)
- Appendix B – Equalities Impact Assessment
- Appendix C – Climate Change Impact Assessment

BACKGROUND DOCUMENTS:

None.

Nic Harne

Corporate Director – *Community Development*

County Hall

Northallerton

22nd November 2024

Report Author – Kerry Levitt, Principal Regeneration Officer

Presenter of Report – Kerry Levitt, Principal Regeneration Officer

Note: Members are invited to contact the author in advance of the meeting with any detailed queries or questions.

Initial equality impact assessment screening form This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.			
Directorate	Community Development		
Service area	Regeneration		
Proposal being screened	Repair and refurbishment of the Old Town Hall building and Market Place, Whitby		
Officer(s) carrying out screening	Kerry Levitt		
What are you proposing to do?	Repair the internal and external areas of the Grade II* Listed Old Town Hall building, repurpose the first floor bringing it back into a viable use and re-landscape the Market place installing anchor points for traders.		
Why are you proposing this? What are the desired outcomes?	<p>The Old Town Hall building is currently in a poor state of repair and is not used due to its condition. In order to secure its structural integrity and find a viable use for its future, the building needs to be repaired and refurbished.</p> <p>The outcomes from the proposal are:</p> <ul style="list-style-type: none"> • Secure the future of the Grade II* Listed Old Town Hall building • Sustainable use of a heritage asset compatible with its heritage significance • Improved access to culture and heritage for residents • Improved perceptions of place • Increase in economic activity in surrounding area • Preservation and enhancement of the character and appearance of Whitby Conservation Area • Reinforcement of Whitby's distinct heritage • Increase in economic activity in surrounding area • Vibrant and sustainable outdoor market 		
Does the proposal involve a significant commitment or removal of resources? Please give details.	No.		
Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYC's additional agreed characteristics As part of this assessment, please consider the following questions: <ul style="list-style-type: none"> • To what extent is this service used by particular groups of people with protected characteristics? • Does the proposal relate to functions that previous consultation has identified as important? • Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be an adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your directorate representative for advice if you are in any doubt.</p>			
Protected characteristic	Potential for adverse impact		Don't know/No info available
	Yes	No	
Age		✓	
Disability		✓	

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Sex		✓	
Race		✓	
Sexual orientation		✓	
Gender reassignment		✓	
Religion or belief		✓	
Pregnancy or maternity		✓	
Marriage or civil partnership		✓	
People in rural areas		✓	
People on a low income		✓	
Carer (unpaid family or friend)		✓	
Are from the Armed Forces Community		✓	
Does the proposal relate to an area where there are known inequalities/probable impacts (for example, disabled people's access to public transport)? Please give details.	The Old Town Hall sits within the Streonshalh ward of Whitby which suffers from pockets of deprivation. By repairing and restoring the building, we can open it back up for public access giving residents the opportunity to be able to easily access heritage and culture on their doorstep thereby increasing well-being. There will be a nominal charge in place to access the venue but it is proposed that four free to enter resident events will take place throughout the year.		
Will the proposal have a significant effect on how other organisations operate? (for example, partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No.		
Decision (Please tick one option)	EIA not relevant or proportionate:	✓	Continue to full EIA:
Reason for decision	<p>The first floor of the building is not currently accessible to any members of the public due to safety concerns. The repairs and restoration of the building will allow the building to be used again and members of the community will be able to access this heritage asset. It is acknowledged that the first floor is not accessible to individuals confined to a wheelchair. Due to the Listed nature of the building this cannot be changed, but the repairs and refurbishment provide marginal improvements on existing access.</p> <p>The stone stairs and handrail will be repaired with the handrail being updated to meet current building regulations. This provides safer entry and exit to/from the first floor. An accessible toilet will also be installed within the first floor.</p> <p>The works to the undercroft of the building will see the entrance on the east elevation levelled in line with the pavement which will improve access to this area of the building.</p> <p>These small changes will provide a positive impact.</p>		
Signed (Assistant Director or equivalent)	Kathryn Daly		

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Date	25/10/2024
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Initial Climate Change Impact Assessment (Form created August 2021)

The intention of this document is to help the council to gain an initial understanding of the impact of a project or decision on the environment. This document should be completed in consultation with the supporting guidance. Dependent on this initial assessment you may need to go on to complete a full Climate Change Impact Assessment. The final document will be published as part of the decision-making process.

If you have any additional queries, which are not covered by the guidance please email climatechange@northyorks.gov.uk

Title of proposal	Repair and refurbishment of the Old Town Hall building and Market Place, Whitby
Brief description of proposal	Repair the internal and external areas of the Grade II* Listed Old Town Hall building, repurpose the first floor bringing it back into a viable use and re-landscape the Market place installing anchor points for traders.
Directorate	Community Development
Service area	Regeneration
Lead officer	Kerry Levitt, Principal Regeneration Officer
Names and roles of other people involved in carrying out the impact assessment	

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The chart below contains the main environmental factors to consider in your initial assessment – choose the appropriate option from the drop-down list for each one.

Remember to think about the following;

- Travel
- Construction
- Data storage
- Use of buildings
- Change of land use
- Opportunities for recycling and reuse

Environmental factor to consider	For the council	For the county	Overall
Greenhouse gas emissions	Increases emissions	Increases emissions	Increases emissions
Waste	Increases emissions	Increases emissions	Increases emissions
Water use	Increases emissions	Increases emissions	Increases emissions
Pollution (air, land, water, noise, light)	Increases emissions	Increases emissions	Increases emissions
Resilience to adverse weather/climate events (flooding, drought etc)	Decreases emissions	Decreases emissions	Decreases emissions
Ecological effects (biodiversity, loss of habitat etc)	No effect on emissions	No Effect on emissions	No effect on emissions
Heritage and landscape	Positive Effect	Positive Effect	Positive Effect

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If any of these factors are likely to result in a negative or positive environmental impact then a full climate change impact assessment will be required. It is important that we capture information about both positive and negative impacts to aid the council in calculating its carbon footprint and environmental impact.

<p>Decision (Please tick one option)</p>	<p>Full CCIA not relevant or proportionate:</p>	<p>X</p>	<p>Continue to full CCIA:</p>	
<p>Reason for decision</p>	<p>The Old Town Hall is a Grade II* Listed building and is not currently used due to its poor condition. By repairing and refurbishing the building we will bring it back into use, increasing its resilience to adverse weather conditions and creating a sustainable future for it, preventing it from being lost and thereby creating a positive effect on the Heritage of Whitby.</p> <p>By using the building, it will start to generate emissions from the use of water for the toilet and sink and electricity for light, heating and ancillary systems such as CCTV. However, the building does not use a gas supply and only utilises electricity which will be from a renewable energy source. Therefore, the building is net zero ready. The project will install secondary glazing and better roof insulation to mitigate against heat loss and there is potential in the future, if further funding can be secured, to look to provide insulation in the wall if adequate ventilation for the building can be installed and technology develops.</p> <p>There will also be a temporary increase in emissions during the construction works but the materials will be re-used or recycled where possible and the stone needed for repairs will come from the local supply chain reducing transportation emissions.</p>			
<p>Signed (Assistant Director or equivalent)</p>	<p>Kathryn Daly</p>			

APPENDIX C

Date	25 October 2024