



**John Wright  
Town Clerk**

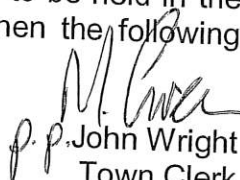
**Lyme Regis Town Council**

Town Council Offices  
Guildhall Cottage  
Church Street  
Lyme Regis  
Dorset  
DT7 3BS

email: [townclerk@lymeregistowncouncil.gov.uk](mailto:townclerk@lymeregistowncouncil.gov.uk)

Tel: 01297 445175  
Fax: 01297 443773

Notice is hereby given of an extraordinary meeting of the Lyme Regis Town Council to be held in the Guildhall, Bridge Street, Lyme Regis, on Wednesday 16 October 2019 at **7pm** when the following business is proposed to be transacted:

  
John Wright  
Town Clerk  
11.10.19

*The open and transparent proceedings of Full Council and committee meetings will be audio recorded and recordings will be held for one year by the town council.*

*If members of the public make a representation to the meeting, they will be deemed to have consented to being audio recorded.*

*If members of the public have any queries regarding audio recording of meetings, please contact the town clerk.*

**AGENDA**

**1. Public Forum**

Twenty minutes will be made available for public comment and response in relation to items on this agenda.

*Individuals will be permitted a maximum of three minutes each to address the committee.*

**2. Apologies for absence**

To receive and record any apologies and reasons for absence

**3. Disclosable Pecuniary Interests**

Members are reminded that if they have a Disclosable Pecuniary Interest on their register of interests relating to any item on the agenda they are prevented from participating in any discussion or voting on that matter at the meeting as to do so would amount to a criminal offence. Similarly, if you are or become aware of a Disclosable Pecuniary Interest in a matter under consideration at this meeting which is not on your register of interests or is in the process of being added to your register you must disclose such interest at this meeting and register it within 28 days.

**4. Dispensations**

To note the grant of dispensations made by the town clerk in relation to the business of this meeting.

**5. Shelters' Roof Works**

To inform members of the latest tenders received for work to the roof of the shelters building on the Marine Parade, Lyme Regis

**6. Exempt Business**

**Committee:** Extraordinary Full Council

**Date:** 16 October 2019

**Title:** Shelters' Roof Works

**Purpose of Report**

To inform members of the latest tenders received for work to the roof of the shelters building on the Marine Parade, Lyme Regis

**Recommendation**

Members consider the latest tenders received for work to the roof of the shelters building on the Marine Parade, Lyme Regis, decide whether to accept the lowest and, if so, which elements of the 'menu' of works to include within the agreed scope of works

**Background**

1. Members have received several previous reports about the need to carry out works to the roof of the shelters' building on the Marine Parade at Lyme Regis. The most recent substantive report was submitted to the extraordinary meeting of Full Council held on 4 September 2019.
2. In those earlier reports, it was noted that the commercial units and associated roof structure had been constructed in the mid-60s and that almost no significant maintenance had been undertaken since that time.
3. In more recent years, there had been some issues, including water ingress through the flat roof and into the units below. Patch repairs had been undertaken, but it was agreed that a more comprehensive and permanent solution was required.
4. A specification was agreed, detailed plans drawn up and tender documents prepared by the council's architects, Crickmay Stark. Tenders were invited from contractors with a closing date of noon on 2 August 2019.
5. That specification included elements of both repair and enhancement, the latter aimed at allowing greater use of the flat-roofed area by the public and in connection with events. The principal enhancements included new feature railings and glass panelling, additional lighting and new power and water supply points.
6. These tenders were opened on 2 August 2019 in the presence of Cllr J. Broom as chairman of the Town Management and Highways Committee.
7. Disappointingly, only two tenders were received, the lowest of which was in a sum almost double the approved budget. Whilst subsequent arithmetic check showed a number of inaccuracies which had the effect of reducing the overall

cost, it was absolutely clear that no amount of negotiation or value-engineering would bring the price within budget.

8. Given the importance of timescale in minimising any impact of the works on the tenants below, the architect was instructed to go back out to tender with a reduced scope of works and to a fresh group of contractors.
9. The new invitation to tender was sent out on 6 September 2019 with a return date of 4 October 2019. This still allowed the works to commence by early-November 2019, i.e., without any additional delay to the original programme of works.
10. The main change in the reduced scope of works was to omit the feature railings and glass panelling along the roof frontage. This element alone was priced at over £200k in total and its inclusion made keeping within the approved budget impossible. As part of the revised works it was intended to retain the existing railings but incorporate some means of preventing objects from falling from the roof area onto the parade below.
11. It was noted that the retention of the existing railings had some implications for the level of guarantee offered in connection with the new roofing materials, but the council's architect for this project was confident that it would be possible to design and implement a fully satisfactory junction/seal between the existing railings and the new roofing material. In addition, there was no suggestion that the existing water leaks emanated from the vicinity of the railings.
12. Contractors were asked to price the works on an individual 'menu' basis but with a primary focus on repairing the roof by overlaying with the same modern, high-quality material previously approved by members. This element included work to improve the drainage to the rear of the retaining wall, where good sealing with the new roofing material was critical.
13. Other works, which would be priced individually, included new lighting, new water and power points, removing the roof-top steps as part of the roofing works and improving access to the roof area from the gardens.
14. On the above basis and after discussion with the council's architect for this project, officers were confident that an acceptable scheme could be agreed which limited the overall price to a more affordable level. Once professional fees had been included in the overall cost, it was felt that achieving this would probably mean that not all the 'menu' works referred to at 13 above could be afforded.
15. It was also noted that the tenants were anxious to better understand the precise impact of the works on their trading situation. Although officers would continue to liaise, it was stated that it would be difficult to give tenants precise information until the exact scope of works has been finalised following return of tenders, a contractor had been appointed and a final programme of works agreed.

16. One tenant had also queried whether the works fell within the scope of the Party Wall Act. Officers had sought independent and professional advice on this matter. The advice received was that, subject to further scrutiny of the revised plans and specifications, the works probably did fall within the Act. If this was confirmed, the required processes would be followed. It was stated that this should not affect the programme of works.
17. The VAT implications of the work were the subject of a separate report to the 4 September meeting. Following very careful consideration of all the issues involved, members resolved to opt to tax (for VAT purposes) each of the three properties: Amusement Arcade, Antique and Craft Centre, and the former By the Bay Restaurant (now known as SWiM).
18. The temporary finance manager clarified that the tenants would be informed of the council's decision before the contract was awarded and that VAT would be chargeable from that point in time, not the whole year.

## Report

19. Five new tenders were returned by the deadline of noon on 4 October 2019.
20. Those tenders were opened on 4 October 2019 in the presence of Cllr J. Broom and the council's architect for this project.
21. The confidential **appendix 5A** sets out the details of those tenders, including contractor name, tender price for all works and individual prices for those items on the optional 'menu'. These figures are prior to receipt of the full tender report from the council's architect for this project, but are not expected to change. **N.B. the approximate price for new power and water points had only been obtained from the lowest tenderer at the time of writing this report. That figure has therefore been applied to each tender for the sake of consistency. The actual individual figures may vary slightly but would not in any way affect the overall assessment. See also 23 below.**
22. The budget for these works was increased from £332k to £400k as part of the 2019/20 budget-setting process.
23. No 'full' tender is within the approved budget, although the lowest of £457,565.00 from Harris Brothers and Collard (HBC) of Bridgwater, Somerset could be if various of the 'menu' items were to be excluded. The minimum cost with all menu items excluded is £390,737.00+VAT. This lower figure retains a contingency of £15,000. It also includes the cost of new water and power points which should have been a 'menu' item but was incorrectly included within the 'core' costs. If this item were also to be removed, then the minimum cost would reduce to about £370,000+ VAT (including contingency). The precise cost of the water and power elements is still being clarified and will be reported verbally at the meeting.
24. These figures do NOT include all associated professional fees, which are currently estimated to total about £70,000+VAT. These fees include the cost of



architectural services including all aspects of design, procurement and site management, legal fees, counsel's opinion on VAT, Party Wall Act surveyor's fees, structural engineer's fees, the cost of initial trial holes to establish the condition of the roof structure, etc.

25. With all professional fees included, the minimum total cost of the works is about £440,000+VAT, i.e., about £40,000+VAT more than the currently approved budget.
26. This figure retains the existing roof-top railings in their current form. Specialist advice was obtained which suggested that any form of solid barrier attached to these railings might increase wind loadings to an unacceptable degree. Mesh panels were also considered but could both provide a means of climbing the railings for children and appear virtually 'solid' when looked at from an oblique angle and therefore be visually unattractive.
27. The council's architect for this project is continuing to look at this issue and will provide further advice at the meeting. A difficult balance needs to be struck between minimising potential 'every-day' safety risks and those specific risks associated with much more infrequent roof-top events. Cost and appearance also need to be taken into account. It may be that the current temporary and event-related safety measures comprising additional heras fencing with netting remain the best overall compromise.
28. Given the relative closeness of the four higher tenders, the council's architect for this project has spoken to the lowest tenderer to clarify their figure and to better understand their price. As a result of this conversation, he is reassured that the lowest figure is correct and deliverable. The main cost saving relates to the sub-contractor figure for the laying of the new roofing material. The sub-contractor is happy to stand by their figure.
29. The full tender report will not be completed until 15 October 2019 and will be reported verbally at the meeting. The council's architect for this contract will be in attendance at the meeting to explain his report and to answer any questions.
30. The council has now market tested the works on two separate occasions; the most recent exercise having generated a competitive number of tenders from a good range of contractors. In addition, the work was advertised on the Government 'Contract Finder' website. A number of other contractors, both local and national, asked for contract details but subsequently chose not to tender.
31. Although the operations manager did previously obtain lower indicative quotes from purely roofing contractors, this was in the absence of any detailed plans, specifications and method statements, did not address the issues caused by the expansion joints in the concrete roof deck and excluded any element of scaffolding or rear wall drainage works.
32. In the circumstances, it seems unlikely that lower figures would be obtained by going out to tender for a third time. In addition, it would increase professional fees and delay the works to the point where there was no realistic likelihood of

anything proceeding until autumn 2020. In a market where the Construction Price Index shows ongoing positive growth in construction, repair and associated costs and where issues with the existing roof will only get worse over time, additional delay would almost certainly result in higher overall cost to the council.

33. The officer view is that the lowest tender from HBC should be accepted with only the 'core' works included, i.e., at a price of approximately £370,000+VAT. Once professional fees are included, this will involve a total cost of approximately £40,000 more than the currently approved budget. Any alternative is likely to involve 12 months' delay, with resultant increases in overall cost and increased risk of further deterioration to the existing roof covering
34. HBC have indicated that they could mobilise within two weeks and their contract programme is 15 weeks. This would minimise the amount of work being undertaken in the spring period and, therefore, the effect of any disruption on tenants.
35. With regard to the decision to opt to tax for the purposes of VAT, the affected tenants were all notified on 4 October 2019 that it was the council's intention to do so from 10 October 2019. The council has to elect to opt **before** any contract or contractual commitment to carry out the works is entered into. This date was chosen because it was the last possible clearly compliant date, i.e., it preceded the publishing of the notice of this meeting, which includes this report about potentially entering into a contractual commitment to proceed with the works.
36. If the lowest tender is accepted on the basis referred to at 33 above then the saving to the council in otherwise irrecoverable VAT arising from the decision to opt to tax is about £88,000. This excludes any saving arising from minimising partial exemption costs. When those savings are also included, the total one-off figure increases to about £132,000 with an additional ongoing partial exemption cost.

Mark Green  
Deputy town clerk  
October 2019