



## OFFICER DECISION RECORD

This form should be used to record Executive decisions taken by Officers

<b>Type of Decision:</b>	<b>Urgent Operational Decision</b>		
<b>Decision Maker:</b>	Graham Farrant, Chief Executive and Head of Paid Service		
<b>Service Area:</b>	Operations	<b>Date:</b>	24 June 2024
<b>Contact Name:</b>	Alison Smith	<b>Tel No:</b>	01202 123107
<b>E-mail:</b>	alison.smith@bcpcouncil.gov.uk		
<b>Subject:</b>	Poole Museum Capital Programme		
<b>Decision taken:</b>			
<p>(a) <b>To approve an overall increase of £1.708m in the capital programmes making up the Poole Museum redevelopment project for which is to be funded by</b></p> <ul style="list-style-type: none"> <li>i. <b>a grant uplift from NLHF of £750k</b></li> <li>ii. <b>a new grant from ACE of £450k</b></li> <li>iii. <b>other grants and donations totalling £558k</b></li> </ul> <p>(b) <b>To approve a new capital programme within this of £334k for the new Ceramics and Design Gallery.</b></p>			
<b>Options considered:</b>			
<p>1. Do nothing: As the project is already underway leaving the capital budget as it currently stands would mean there was a shortfall in meeting costs requiring a revised, smaller plan. This would mean omitting the completion and fit out of the majority of the spaces and galleries with the result that the museum would be unable to reopen. There would be reputational damage with funders and stakeholders and the Council would be required to return a proportion of the grant funding. If the museum is unable to reopen it will be unable to trade and this would result in unfunded pressure on the MTFP.</p>			

**Reasons for the decision:**

To ensure the successful delivery of the Poole Museum capital project and sustainability of a future service that will deliver strongly against the new Corporate Strategy in particular community pride, revitalised high streets and regenerated key sites, skills development and lifelong learning, partnership working, removing barriers and empowering others, and providing accessible and inclusive services.

Following the calling of the general election and the decision taken on the 28 May to cancel the Cabinet meeting scheduled for the 19 June 2024 in line with published guidance relating to the pre election period it was requested that an officer decision be taken in relation to this item in lieu of the cabinet meeting on the 19 June 2024.

Officers indicated that this decision could not wait until the next scheduled meeting of the cabinet on the 17 July 2024 for the following reasons:-

There is a need to issue instructions to our professional design team (ZMMA Max Fordham Morton Partnership & PT Projects) and Base build contractor (Greendale) within the next 24/48 hours under a JCT CA/JCT building contract. This is to ensure progress against agreed project delivery timescales. Instructions cannot be issued without the appropriate Cabinet approval in place.

**Background:**

1. Poole Museum's original capital programme (Phase 2) totals £6.5m across the following three projects:
  - i. Our Museum: with lead funding from NLHF. The project is on site with practical completion of the basebuild works expected to be end September 2024. Exhibition gallery fit out will follow, with reopening planned for Spring 2025. Highlight objects from the Poole Civic Regalia will be on display in the new permanent galleries, including 17th century civic maces and Tudor spoons. The approved capital programme is £4.4m.
  - ii. Scaplen's Court: with lead funding from HE as part of the High Street Heritage Action Zone (HSHAZ). This project is also on site working to the same practical completion date in September 2024. The approved capital programme is £1.6m.
  - iii. Temporary Exhibition Gallery: a new temporary exhibition gallery re-purposes the former staff office to provide a high-specification, flexible and environmentally controlled space for major exhibitions. The approved capital programme is £0.5m
2. Salix works funded by the Public Sector Decarbonisation Scheme – Phase 1 of the Poole Museum capital programme - were successfully completed last year.
3. Project costs for the Our Museum project and Scaplen's Court project have increased overall with main drivers being the impact of inflation (c.14.5%), including a period of super-inflation, new scope, design development, site and market conditions, and an extended programme of around one year. Costs for the Temporary Exhibition Gallery slightly decreased at tender. Overall, this means that project costs are projected to exceed the approved capital programme by £1.37m.
4. An application for a grant uplift from NLHF of £750k to support increased project costs was successful, taking their funding from £2.24m to £2.99m.

5. An application for a grant from the ACE for £450k was also successful. Funding from ACE contributes to three components of the redevelopment project - Our Museum, the Temporary Exhibitions Gallery, and the Ceramics and Design Gallery on the third floor of the Museum which is new scope costing £0.334m.
6. Funds have also been secured from national and local trusts and foundations and major donors totalling £558k.
7. Direct Prudential Borrowing support remains unchanged for the total scheme and has been applied to the Our Museum and Scaplen's Court elements.

**Consultations undertaken:**

**Consultation:**

- In making this decision the Chief Executive and Head of Paid Service has consulted with Council's Monitoring Officer and s151 Officer
- The Leader of the Council has been consulted

**Finance and Resourcing Implications:**

- The changes to the financial funding of the scheme can be found in the main body of the report and in Figure 1 above.
- The proposed scope increases the overall capital programme from the original £6.502m to £8.210m. £0.334m of this change is due to the inclusion of the Ceramics Gallery project which is fully fund by third party funds. The remaining amount relates to inflationary and contract pressures.
- The amount of Strategic CIL funding required remains unchanged at £0.955m
- The amount of direct prudential borrowing remains unchanged at £1.579m.
- The amount of indirect prudential borrowing the council may be required to underwrite has been reduced to £0.620m. Any underutilisation of this borrowing would be returned to corporate resources.
- Service colleagues are actively continuing to source and bid for third party funds to achieve the target and eliminate the need for any additional prudential borrowing (currently underwritten by the council). £0.499m has already been secured against the £1.120m expectation with a further £0.620m required.
- Significant grants monies totalling over £4m have been secured from NLHF, Historic England and Arts Council England.
- Overall, due to the receipt of additional third party funds the risk and financial commitment from the council has reduced.

**Name: Adam Richens**

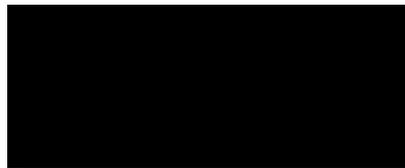
**Date: 24 June 2024**

**Signature (of Chief Finance Officer):**



**Legal Implications:**

- The ACE grant is restricted to the capital costs outlined in the application and can only be used on capital expenditure that will be capitalised on the Council's balance sheet.
- Further, ACE may require the registration of a restriction on the disposal of the property against the Council's title as security over the project assets. This is a standard procedure and means ACE consent would then be required to any dealing with the land.
- Compliance with the conditions under which the ACE grant is made and those which apply to be third party funding will be monitored by the project team.
- The additional funds from NHLF have been made available under a variation of the previous agreement. There are no additional conditions to be aware of.
- Local Authorities have the power to borrow under s1 Local Government Act 2003. The discretion afforded to Local Authorities to borrow under s1 of the Act is wide reaching – “for any purpose relevant to its functions under any enactment or for prudent management of [the Local Authorities] financial affairs.
- In accordance with the Council's Constitution (in particular the Financial Regulations) the Chief Finance Officer is responsible for the proper administration of the Council's financial affairs including (amongst other matters) all arrangements concerning financial planning, income, debt management, investments and borrowing, and the Chief Finance Officer is further responsible for ensuring that all schemes relying on the use of prudential borrowing powers are properly appraised and provide value for money.
- As these decisions together relate to an increase in the programme budget of more than £500,000.00 they fall to be considered as key decisions under the Constitution and have accordingly been included in the Cabinet Forward Plan.
- Pursuant to the Constitution, Cabinet has the power to take decisions for the Council. However, as the total proposed increase in the capital programme exceeds £1,000,000 the decisions must be taken by Full Council.

**Sign-off by Monitoring Officer****Name:           Janie Berry****Date: 24 June 2024****Signature (of Monitoring Officer):****Risk Assessment**

- Project contingency has been managed with oversight from the Project Board. A costed risk register to project completion is in place.

**Impact Assessments:**

- An EIA has been completed for the project and revealed neutral or positive impacts as a result of the proposed changes.

**Information for publication / not for publication**

- It is in the public's interest for this decision to be published.

**Background Papers**

- Cabinet - Wednesday, 14th April, 2021 10.00 am (item 326)  
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?MIId=4262>
- Meeting of Council, Tuesday, 22nd June, 2021 7.00 pm (Item 100.)  
<https://democracy.bcpccouncil.gov.uk/ieListDocuments.aspx?MIId=5112>
- Recommendations from Cabinet and Other Committees  
<https://democracy.bcpccouncil.gov.uk/mgAi.aspx?ID=7393> (7b)

Any declaration of interest by the Officer responsible for the decision

Nature of Interest

No

**Note:** No Officer having an personal financial interest in any matter should take a decision on that matter. Other interests of a non-disqualifying matter should be recorded here.

Any conflict of interest declared by a Cabinet Member who is consulted by the Officer taking the decision

Name of Cabinet Member

Nature of interest

Details of any dispensation granted by the Monitoring Officer

No

**Decision taken by: (print name and designation)**

**Graham Farrant – Chief Executive**

**Signature:**



**Date of Decision: 24 June 2024**

**Date Decision Effective: 24 June 2024**

**Date of Publication of record of Major Operational decision: As shown on web site**

**Note: A record of this decision should be kept by the Service Area within which the decision falls.**