

MINUTES OF CABINET MEMBER SIGNING MEETING HELD ON FRIDAY, 30 SEPTEMBER, 2022, 10.00AM - 10.25AM.

PRESENT: Councillor Zena Brabazon, Cabinet Member for Children, Schools and Families

In attendance: Darrall Bishop, LCP Major Works Project Manager, John Brocklehurst, Project Manager and Nazyer Choudhury, Principal Committee Co-Ordinator.

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. CAMPSBOURNE BSIEE PHASE 1 - VARIATION TO CONSTRUCTION CONTRACT AWARD

On 15th June 2021 Cabinet approved an award to Mulalley & Company Ltd for Phase 1 of the Construction Contract for Campsbourne Primary School in the sum of £985,887.10 including a 10% contingency allowance. Additional urgent condition works had been identified during the contract. Though cabinet previously approved a further increase of £99,610.10 to the approved contract award sum on 17th January 2022 for a total value of approved value of £1,085,497.10 but since that date further works and associated costs have identified. This report seeks Cabinet Approval for a variation to increase the approved construction award value with Mulalley and Company Ltd for £384,472.90 at Campsbourne Primary School, as allowed under Contract Standing Order (CSO) 10.2.1.a.

This would be the final variation for phase 1 of the project.

The contractor would be monitored closely.

The Cabinet Member RESOLVED

Pursuant to Contract Standing Order 16.02, to vary the following construction contract award:

(i) The original contract award approved by Cabinet for Campsbourne Primary School was in the sum of £985,887, including a 10% contingency amount.

(ii) A subsequent variation of the construction contract to Mulalley and Company Limited was granted in January 2022 in the sum of £99,610 giving a revised contract sum of £1,085,497.

(iii) A further sum of £384,472.90 is now requested to ensure that sufficient funds are available to settle the contractor's final account, based on projected construction variation costs assessed to date for a projected total construction contract value of £1,439,970.00.

Reasons for decision

During construction, additional condition works were identified which included remedial works to address saturated and defective sections of roof decking and a requirement for additional mechanical heating works, which were discovered once the contract works commenced at Campsbourne Primary School. Additional works were initially identified and reported for request for a variation to the and increase the approved contract award sum in January 2022. However further additional works were identified, and the contract was further prolonged. Specifically, gym hall roof repair works had a considerable knock effect to the contract delivery which impacted on delivery of the heating system works. This led to the contractor requiring further time to accommodate the additional works; and the requirement for out of hours working to minimise disruption to school service delivery, due to the lack of available decanting space. The project budget is sufficient to cover the contract cost increases.

Alternative options considered

Do nothing – is not an option as the Council would be in breach of contract. This could lead to legal action from the Contractor for non-payment. A decision not to support the increase in the value of the construction works contract could result in reputational damage to the Council for non-payment and non-compliance with payment terms set out in the JCT contract, overarching LCP framework agreement and or other payment legalisation such as Housing Construction and Regeneration Acts Act 1996 (HGRA)

CABINET MEMBER: Cllr Zena Brabazon

Signed by Cabinet Member

Date ...30 September 2022.....