

CABINET

Wednesday, 11 April 2018

REFURBISHMENT OF BECCLES BELL TOWER (REP1861)

EXECUTIVE SUMMARY

1. Waveney District Council own the freehold to St. Michael's Bell Tower and Beccles Town Council have been granted a licence to occupy for five years from the date of the licence (29 April 2016).
2. Health and safety risks from falling masonry prompted a survey and subsequent repair works to the Tower. A pre tender budget for the works was estimated at £70k. The subsequent winning tender was accepted at £98k. The works have taken longer than programmed to execute due to the reasons identified below and this has led to the potential risk of increased costs mainly due to the extra time for hire of the scaffold.

Is the report Open or Exempt?	Open
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Wards Affected:	Beccles
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Cabinet Member:	Councillor Bruce Provan Cabinet Member for Resources
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Supporting Officers:	<p>Andy Jarvis Strategic Director 01394 444323 Andrew.Jarvis@eastsoffolk.gov.uk</p> <p>Martin Dale Building Surveyor 01502 523358 Martin.Dale@eastsoffolk.gov.uk</p>
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1 INTRODUCTION

- 1.1 Following a fall of masonry into the street below St. Michaels bell tower a specialist conservation surveyor was commissioned to carry out a building survey. The subsequent report identified areas of repair to the stonework and lead roof covering. The conservation surveyor was asked to produce a specification for the works and this was put out to tender. The surveyor had provided a pre tender budget estimate for works of £70,000.
- 1.2 The tender for the works for the sum of £97,705.46 from Universal Stone was accepted and scheduled for start in July 2017 for a contract period of 12 weeks. However, the start was delayed at the request of Beccles Town Council who was not happy to have the tower out of use and clad in scaffold for the summer holidays.
- 1.3 The contractor provided a new programme with a contract period of fifteen weeks to allow for the difficulty in reprogramming the subcontractors. The works to scaffold the tower were begun on Tuesday 29 August 2017 and signed off as safe to use on the 3 November 2017, five weeks later than scheduled.
- 1.4 Further stone work was found to be required to make the tower safe and all stone work was reported complete by the 18 December 2018, 4 weeks later than programmed and 2 weeks after the original completion date.
- 1.5 The roofing works has been the largest factor in delaying the completion of the contract and this is for a number of reasons. The original specification for the lead was incorrect and not to current standards. The contractor was aware of this issue at the tender stage but did not raise the issue until week 9 (27 October 2017). The lead was programmed to be ordered in week 6. This query was responded to within a week however the delay meant that the lead wouldn't be ready to use until the New Year, the roofing contractor starting his work 8 weeks later than originally scheduled.
- 1.6 The works were completed by the 5 March 2018 and it is estimated that the site will be returned to the Council on Thursday 29 March 2018 when the scaffold is removed and the site cleared giving a total contract period of 31 weeks. It is expected that the contractor will claim for an extension of the contract period due to additional works. Our Quantity Surveyor (Q.S.) has considered the additional works and a reasonable additional time to accommodate the variations to contract and forecasts a final bill in the region of £123k.
- 1.7 Standard WDC contracts provide a degree of protection for the council by providing a clause called 'Liquidated Damages'. This provides for a payment from the contractor where a delay has been incurred that is not the fault of the council. In this instance, there was a clause for liquidated damages in the contract, however as the delays incurred as were not the fault of the contractor, these were not triggered. The scope and use of liquidated damages clauses is to be reviewed.
- 1.8 Our Q.S. has, so far, certified a total of £109,435.52 of which £82,451.63 has been paid to the contractor. An invoice from the contractor is expected shortly amounting to £21,512.11 giving a total paid to the contractor of £103,963.74. All claims have been certified by the Q.S.

2 HOW DOES THIS RELATE TO EAST SUFFOLK BUSINESS PLAN?

- 2.1 It is the aim of the Council to maintain and restore their historic assets preserving and enhancing the environment to promote leisure and culture within the community, supporting local partners and businesses in the market town of Beccles.

3 FINANCIAL AND GOVERNANCE IMPLICATIONS

- 3.1 Proceeding with the work represents a Key Decision under Waveney District Council's Constitution because it will result in the Council incurring expenditure in excess of £100,000.
- 3.2 The additional funds will come out of the Estates capital budget – work is being carried out to ensure that the impact on other projects is minimised, including reallocating any potential underspend from other projects.
- 3.3 In this instance, the additional problems that were uncovered at the construction stage could not have been anticipated. Due to the specialist nature of the work, and the public safety concerns, it was considered sensible to carry out the work at the time, and with the contractor on site. However the procurement team have identified the need for them to add strategic contract management to current procurement processes in order to ensure improved controls in the future and mitigate a repeat of this situation.

4 CONSULTATION

- 4.1 Officers and the Cabinet Member for Resources have been consulted on the overspend. Local members and Beccles Town Council have been consulted on the project delays during the programme.

5 OTHER OPTIONS CONSIDERED

- 5.1 Not to pay the additional funds for the work. This was rejected, as the Council has a duty of care to ensure that the building meets health and safety standards, to ensure public safety.

6 REASON FOR RECOMMENDATION

- 6.1 The Council has a duty of care to ensure that the building meets health and safety standards, to ensure public safety. This project will also help the Council to achieve its aim of maintaining and restoring historic assets, to preserve and enhance the environment, to promote leisure and culture within the community, supporting local partners and businesses in the market town of Beccles.

RECOMMENDATIONS

1. That further funds be made available to complete the project.
2. That a review is carried out by the procurement team looking at the reasons for the overspend, in order to improve control measures in future projects.