

Record of decision taken under delegated authority by a Council officer

Title:	To place a 'Letter of Intent' with Willmott Dixon Construction Ltd for enabling works at Hackbridge Primary School.
Wards Affected:	Borough-wide
Decision taken under delegated authority by virtue of:	Constitution Section 3 - Scheme of Delegation

Summary

To place a 'Letter of Intent' (LOI) with Willmott Dixon Construction Ltd for securing and enabling works at the new Hackbridge Primary School. This is required due to the Council issuing a 'Notice Of Termination' to the current contractor - Lakehouse Contracts Ltd, who were in default of contract.

The LOI would cover securing the site, taking on or replacing the site accommodation / set up, conducting surveys and air tests as required to ascertain the condition of the works and covering Willmott Dixon's professional staff time to interview each subcontractor previously appointed by Lakehouse. Once this process has been completed, it will provide a target figure which will allow approval to be sought to enter into contract with Willmott Dixon Construction Ltd to complete the works.

The value of the LOI is £200,000.

Decision

That:

1. The Letter of Intent is issued to Willmott Dixon Construction Ltd to the value of £200,000.

Reasons for Decision:


The Council needs to act swiftly as the Termination Notice has been issued (30 January 2019) to the current contractor - Lakehouse Contracts Ltd who have defaulted under the terms of the contract. The site passes back to the Council with immediate effect and along with this comes the liability of security and insurance. Temporary security and insurance have been put place to cover this transition period, but a permanent measure is promptly required, along with an evaluation of materials on site & re-engagement of subcontractors working for Lakehouse. This is required to establish a contract figure to complete the works with a third party contractor.

Willmott Dixon Construction Ltd has been chosen as they are currently working for the Council building the New Sutton Secondary school (NS3). To date, they have demonstrated value for money on that contract.

Provisional measures are being discussed with Hackbridge Primary school with regard to the new intake of pupils for September 2019. The need from the school is for the Council to finish the new school at the earliest opportunity.

Options, if any, considered and rejected

The only other option would be to procure Willmott Dixon Construction Ltd and or another via the London Construction Programme Framework. The approximate time implication would be circa +4/6 weeks. Due to the contractual time frames set for termination within the JCT D&B contract 2011, this would not be viable. It would leave the site vulnerable for the duration and the re-engagement of subcontractors not moving forward.

Decision taken by:	 Gerald Almeroth, Strategic Director of Resources
Decision taken on:	12 February 2019
To be implemented on:	12 February 2019

Declarations of conflicts of interest

None

Background Documents

None	No
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