

Committee: **Cabinet**
 Date of meeting: **19th April 2023**
 Report Subject: **Progress Report Contracts over £500k**
 Portfolio Holder: **Cllr Helen Cunningham, Deputy Leader / Cabinet Member Place and Environment**
 Report Submitted by: **Clive Rogers, Head of Community Services**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
22/02/2023	23/02/2023	30.03.23			16/03/2023	19.04.23		

1. Purpose of the Report

- 1.1 The purpose of the report is to provide Members with updated information on the progress of capital projects over £500,000 in cost, undertaken within the Authority and, where appropriate, seek the necessary approval required under the Contract Procedural Rules to additional expenditure incurred on a particular project.

2. Scope and Background

- 2.1 The report is required to inform Members of the progress with these capital works projects, and also to satisfy the reporting requirements of Contract Procedural Rules. Appendix 1 includes each major contract with financial details and commentary update. The report is presented to Members on a six monthly basis, informing them of progress on delivering key projects.
- 2.2 Members of the Corporate Overview and Performance Scrutiny Committee have requested that they be kept informed of the progress of projects being undertaken within the Authority, particularly where contracts have been affected by additional costs or time overruns.
- 2.3 Contract Procedural Rules also require reports to be presented to Cabinet seeking approval for additional expenditure if the funding budget is not available and/or excessive time period over-runs have been experienced.

3. Options for Recommendation

- 3.1 The report has been presented to RCSLT and CLT.
- 3.2 The Corporate Overview Scrutiny Committee considered the report on 16th March 2023 and recommended Option 1 to Cabinet.

3.3 **Option 1**

Members to accept the information included within the report.

Option 2

Members to not accept the report.

4. **Evidence of how this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

The report has been developed to satisfy the requirements of the Contract Procedural Rules, and supports the key priorities identified in the Corporate Plan.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

The financial positions of individual contracts are shown in the attached schedule Appendix 1.

5.2 ***Risk including Mitigating Actions***

The risks associated with not completing a contract within budget or time scale could have a financial and negative reputational impact on the Council.

Where the financial risks associated with these projects have impacted on the capital programme allocations they would have previously been subject to review and approval by CLT and Council.

5.3 ***Legal***

There are no legal implications associated with this report.

5.4 ***Human Resources***

There are no staffing implications associated with this report.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

There are four current contracts valued over £500,000 and of these the risk assessed performance shows:-

- Blue – one contract
- Green – two contracts
- Amber – one contract

In respect of the one contract risk assessed blue, the project has been completed on site. Delays and additional costs were incurred on the project due to meeting the Cadw specification requirements for a Grade 2 listed structure.

Regarding the two contracts risk assessed as green. The two projects are currently on site and progressing to programme. Both contracts are within their funding budget allocations.

Regarding the one contract risk assessed amber. The project was constructed during the Covid19 pandemic which has impacted significantly on the contract progress and the contractor's performance on site. The contractor is currently on site attending to the defective work.

6.2 ***Expected outcome for the public***

The Contracts Over £500k support the development and/or redevelopment of buildings and infrastructure across the Blaenau Gwent authority, thus providing better facilities and highways for use by the community and members of the public.

6.3 ***Involvement (consultation, engagement, participation)***

Where relevant, consultation, engagement and involvement with the public and other interested parties have been carried out as part of delivery requirements of the capital projects.

6.4 ***Thinking for the Long term (forward planning)***

The investment in property and infrastructure across Blaenau Gwent is identified to ensure sustainability for the future, removing redundant and substandard facilities, improving highway infrastructure, and providing new modern facilities to meet the service requirements and wellbeing of future generations.

6.5 ***Preventative focus***

Investing in capital projects will prevent problems exacerbating with our property and infrastructure, by making prudent decisions to invest now rather than in the future when the costs are likely to be higher through further deterioration and inflation.

6.6 ***Collaboration / partnership working***

The works undertaken are in collaboration with a number of partner funding agencies, e.g. WG Sustainable Communities for Learning.

6.7 ***Integration(across service areas)***

The works undertaken impact on a number of service areas across the Council such as education, regeneration, infrastructure and corporate landlord.

6.8 ***Decarbonisation and Reducing Carbon Emissions***

The projects all have to be designed to meet the current standards and regulations regarding reducing carbon emissions and achieving the zero carbon agenda where possible.

6.9 ***Integrated Impact Assessment (IIA)***

An IIA is not relevant to the content of this progress report, as there are no decisions required, policy reviews or policy implementation.

7. **Monitoring Arrangements**

7.1 The Contracts Over £500k are routinely monitored within the service areas and six-monthly reports on progress with contracts will be provided to Corporate Overview and Performance Scrutiny Committee.

Background Documents /Electronic Links

- *Appendix 1 – Contracts Over £500k*