

Committee: **Executive Committee**
Date of meeting: **15th December 2021**
Report Subject: **Progress Report Contracts over £500k**
Portfolio Holder: **Cllr Nigel Daniels, Leader / Executive Member
Corporate Services**
Report Submitted by: **Clive Rogers, Head of Community Services**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
16/11/21	18/11/21	30.11.21			10/12/21	15.12.21		

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

- 1.2 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.
- 1.3 Due to the Covid-19 pandemic the last report was submitted in February 2020, as the pandemic has impacted significantly on the delivery programme of construction projects.
- 1.4 Members of the Corporate Overview 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.
- 1.5 Contract Procedural Rules also require reports to be presented to Executive Committee 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.

This report will also be presented to the Corporate Overview Scrutiny Committee on 10th December 2021, and any feedback will be provided verbally to the Executive Committee.

Option 1

Members to accept the information included within the report as presented.

Option 2

Members consider the information included within the report and make specific comments for improvement prior to accepting the report.

4. Evidence of how does 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 seven current contracts valued over £500,000 and of these the risk assessed performance highlights the following:-

- Green – four contracts
- Amber – three contracts

In respect of the four contracts risk assessed as green, the Highways Refurbishment Capital Programme is progressing to plan, with all projects anticipated completion by February 2022. Two projects have been deferred until after Christmas, as they may involve road closure and/or traffic management to be in place. The National Digital Exploitation Centre (NDEC) project has recently commenced works on site on 8th November 2021, Both contracts are within their funding budget allocations. The Network Rail

Implementation Agreement (Ebbw Vale Phase 1), and the Transport for Wales Professional Services Contract (Ebbw Vale Phase) are progressing as planned.

Regarding the three projects risk assessed as amber, the new pitch at Brynmawr Foundation school is progressing albeit the project has been affected by unforeseen drainage issues uncovered on the site during the excavation process. The two other contracts, Roseheyworth HWRC and The Works Hybrid and Box Units, had to be constructed throughout the Covid-19 pandemic which has resulted in both cost increases and programme delays encountered for the projects. In the case of the latter two projects, the increase in costs are being reviewed both through existing budget allocations, and a further grant claim for additional funding to WG.

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

The Contracts Over £500k support the development and/or re development 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 21st Century Schools and Regeneration funding, and WG Waste Grant funding.

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

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

6.8 ***EqIA(screening and identifying if full impact assessment is needed)***

An EQIA is not relevant to the content of this report.

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 Scrutiny Committee and the Executive Committee.

Background Documents /Electronic Links

- *Appendix 1 – Contracts Over £500k*