



## P-21.08 Southend Road Project Highlight Report

<b>Project Name:</b>	Southend Road	<b>Project Manager:</b>	James Grant	<b>Project Sponsor:</b>	David Ousby	<b>Report covers period of:</b>	June & July 2023
<b>Capital Code:</b>	C5004	<b>Client Dept:</b>	Corporate Projects		<b>Lead Designer:</b>	LPL	
<b>Project Code:</b>	P-21.08	<b>End User (if applicable):</b>	Members of public & BCKLWN Companies		<b>Cost Consultant:</b>	GCBA	
					<b>Contractor on Site:</b>	LPL	

### Management Summary

	1. Overall Status	2.1 Risks	2.2. Issues	3. Financials	4. Timelines	5. Resources
<b>This Report</b>	A	A	A	A	A	G
Last Report	A	A	G	R	R	G

### Project Definition

<b>Project Stage:</b> RIBA Stage 5: Construction
<b>Objectives:</b> Delivery of thirty-two flats at Southend Road, Hunstanton (Open Market, Affordable) – ACP Funded
<b>Scope:</b> Housing delivery on the southern end of Southend Road Carpark, delivered as part of BCKLWN Major Housing Programme

### 1. Overall Status (high-level summary)

Overall Status currently Amber: <ul style="list-style-type: none"> <li>Project viability is being significantly changed by inflation in the labour and materials market.</li> <li>LABC have raised a technical query with the cavity wall construction</li> </ul>
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#### 1.1 Decisions required by the Officer Major Projects Board

<ul style="list-style-type: none"> <li>Note impact of delays on the scheme and revised project completion estimated May 2024 (was November 2023) and impact on capital budget phasing</li> <li>Note approved capital budget is £8,381,104 total contract value with Lovell has risen to £8,410,585</li> </ul>
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#### 1.2 Achievements during this period

<ul style="list-style-type: none"> <li>Floor planks have been delivered early helping mitigate other delays. Schedule of floor installation provided. Clerk of Works will monitor this.</li> <li>Mobile cranes have been booked and will be used on site to assist with the speed of the build.</li> <li>Off site storage area reduced</li> <li>Progress with kitchen selections</li> </ul>
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### 2. Risks and Issues

#### 2.1 Key Risks [all red and increasing amber]

*A risk is something that may happen*

Risk ID (4/19)	Risk Title	Description	RAG Status	Risk Category	Mitigation	Dated Comments
A1	Inflation	Inflation increases outpace predictions, impacting on scheme viability.	A	Finance	Monitoring of market. Early purchase and storage of materials where possible. Fix build price with sub-contractors where possible.	01/08/2023
A2	Income	Retraction of house prices impacts on scheme viability.	A	Finance	Monitoring of market. Work closely with agent to ensure units meet and respond to market need.	01/08/2023

D3	Procurement / Supply Chain	Difficulty procuring labour due to current market pressures.	A	Partnership / Lovell	Monitoring of market. Early purchase and striate of materials where possible. Appointment of trades as early as possible. Working with known and trusted sub-contractors where possible.	01/08/2023
J1 & J2	Materials (General & project specific)	Difficulty procuring materials due to current market pressures.	A	Procurement	Monitoring of market. Early purchase and striate of materials where possible.	01/08/2023

## 2.2 Key Issues [all red and increasing amber]

*An issue is something that has happened*

Issue ID (1/19)	Issue Title	Description	RAG Status	Issue Type	Resolution Plan	Dated Comments
1	LABC	LABC disputing cavity wall detail.	A	Operational	Continue ongoing discussions with LABC to come to an agreed resolution	04.08.23

Note: further detail on Project Risks and Issues can be found in the Risks and Issues Log.

## 3. Financial Summary

	Total approved budget (Includes contingency) £	Total spend to date £	Total variance to date <i>Underspend (Overspend)</i> £	Approved budget 2023/24 £	Total spend 2023/24 £	Current year forecast 2023/24 £	Current year variance between budget and forecast £	Total remaining contingency budget £
<b>Current Month:</b>								
Capital Expenditure	8,381,104	3,311,233	5,069,871	2,395,043	598,761	2,395,043	0	0
Revenue Expenditure	0	0	0	0	0	0	0	0
Grant Income	-520,000	-520,000	£0	0	0	0	0	0
Other Income*	-7,426,808	-142,048	-7,284,760	-95,760	0	-95.760	0	0
<b>Net position</b>	<b>434,296</b>	<b>2,649,185</b>	<b>-2,214,889</b>	<b>-2,299,283</b>	<b>598,761</b>	<b>-2,299,283</b>	<b>0</b>	<b>0</b>
<b>Last Month:</b>								
<i>Net position</i>	<i>434,296</i>	<i>2,378,910-</i>	<i>-1,944,614</i>	<i>-2,299,283</i>	<i>328,486</i>	<i>-2,299,283</i>	<i>0</i>	<i>0</i>

\*will vary for each project

## 3.1 Project Financials

*In future months, graphs will be inserted here*

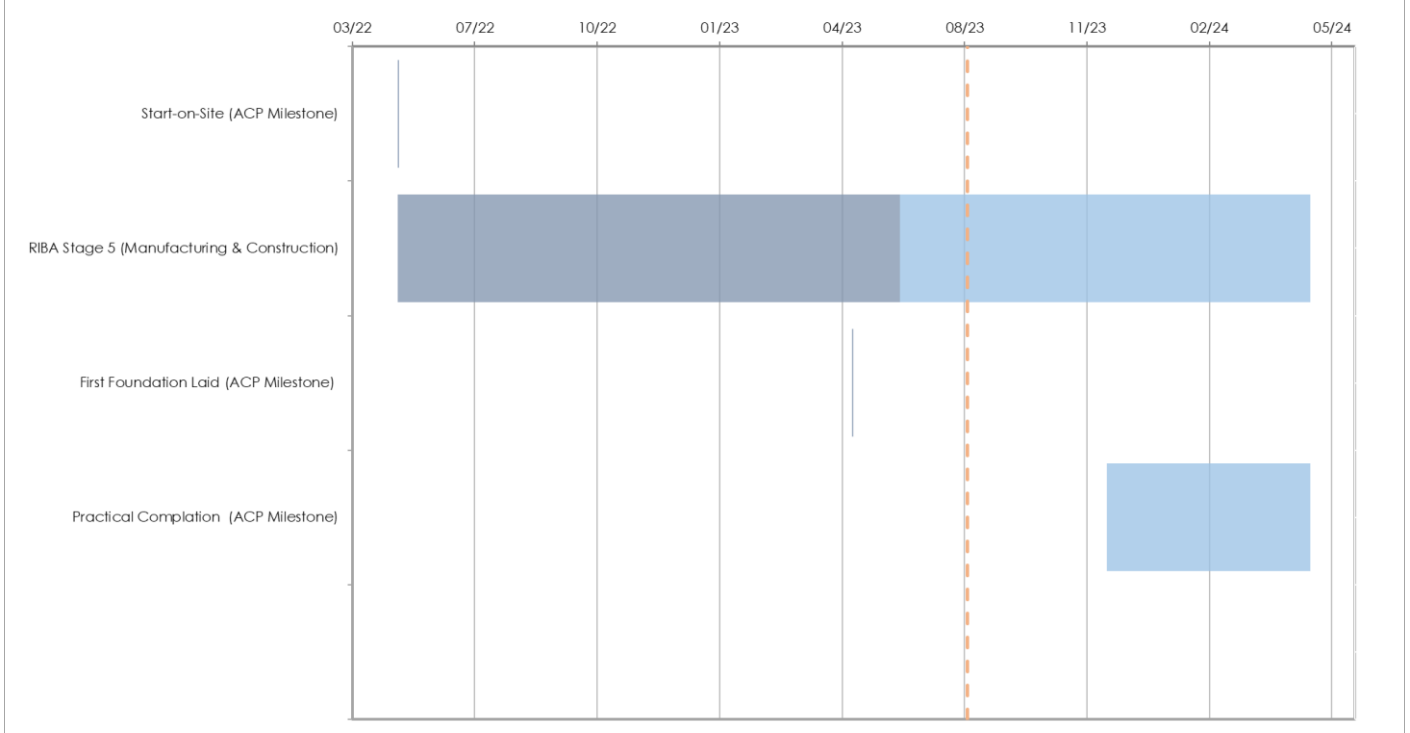
## 3.2 Project Contingency and Change Control

Change Ref	Description	Cost Impact	Programme Impact	Other Impact	RAG Status	Approval given by	Date of change
16	Value Engineering – Mechanical Electrical Package	£7k Saving	N/A	Minor spec changes, for example changes to intercom system and cable spec.	G	JG	05/01/2023

## 3.3 Financial Commentary

Financials currently RAG is Amber. Full financial implications of delays under review but technical approvals, delays, and increasing material costs are likely to have significant impact on project profit. Current estimates show total contract value with Lovell rising from £6,777,688 to £8,410,585 with no or negative house price movement to compensate. Investigations into minimising financial impact ongoing. Investigating any further potential savings.

## 4. Timelines – High Level Milestones



### 4.1 Timelines Commentary

The timeline is currently Amber. Delays mobilising and agreeing temporary works has resulted in significant delay. Revised completion date now 13 May 2024 (originally Nov 2023) [SUBJECT TO FORMAL CONTRACT EXTENSION OF TIME TO BE AGREED]. The same variation will be required for the ACP funding. It should be noted that the first foundation laid milestone relates to when the foundation for the whole block is completed. Due to the volume of groundworks, and the nature of the build, this milestone is later than a traditional project. Need to understand how the LABC issue could affect any programme delays

### 5. Resources Commentary

Resources currently Green. Project being delivered by Internal BCKLWN team. Project Officer & Principal Project Manager fully engaged with project and full understanding of issues. Clerk of Works has returned to work however assistant clerk of works is now on long-term absence.

### 6. Communications and Engagement

Presentation to Hunstanton Primary School – whole school assembly to present the site and discuss Health and Safety related matters. Pupils have been asked to create a poster on H&S, Personal Protective Equipment and hazards on building sites. Lovell managing local comms with 6 weekly newsletters. Newsletter went out in July.

## 7. Outputs and Outcomes

### 7.1 Outputs

Description	Target	Notes
Delivery of;		
Shared Ownership	2	6.25%
Open Market Sales Units	26	81.25%

Affordable units	4	12.5%
Total	32	
Delivery Pace in accordance with Accelerated Construction Programme		9.03 Units per month
Contribution of housing units towards BCKLWN 5-year housing land supply		

## 7.2 Outcomes

Description	Notes
N/A – as per Outputs	

## 8. Other Matters

Item	Comment
General stage progress	Works on site. Brick work continuing to go up
Procurement progress	Block management tender is out to the market
Proposed form of contract (e.g., JCT, NEC, Traditional, D&B)	PPC 2000 Contract – Signed
Proposed route to market (e.g., IOTT, Framework i.e., DPS, HPCS, LCP)	Disposal of properties on open market.
Legal progress	Gateley PLC instructed to undertake conveyancing & legal support works.
Statutory updates	Pre-occupied and compliance conditions to be discharged
Health and safety	LPL appointed as Principal Designer and Principal Contractor

## 9. Approved Documents

	RIBA Stage 1	RIBA Stage 2	RIBA Stage 3	Pre-Planning Appraisal	Planning Consent	Post Planning Appraisal	RIBA Stage 4	Price Adjudication	Cabinet Approval	Contract Signed	RIBA Stage 5	RIBA Stage 6	RIBA Stage 7
<b>Status:</b>	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	Ongoing		
<b>Date Approved</b>	N/A	N/A	N/A	TBC	07/21	TBC	N/A	12/21	03/21	03/22			
<b>Approved by</b>	DG	DG	DG	DG	LPA	DG	DG	DO	Cabinet	MO			

Latest Approved Document: Signed contract – March 2022

Spend - Budget Variance (inc. contingency)	Milestone Delivery RAG Status	Risks & Issues RAG Status
<b>R</b> More than 10% over or under budget	<b>R</b> 13 weeks or more behind the critical path	<b>R</b> Needs immediate attention
<b>A</b> Between 5% & 10% over or under budget	<b>A</b> 4 to 12 weeks behind the critical path	<b>A</b> Needs attention before next project review
<b>G</b> Within 5% of budget or less than £10k	<b>G</b> 4 weeks or less behind the critical path	<b>G</b> Can be managed