

OFFICER MAJOR PROJECTS BOARD MEETING NOTES

Borough Council of
King's Lynn &
West Norfolk



Date: 2 nd April 2024		Location: Via MS Teams			
Time: 4:30pm		Chair: Oliver Judges			
Board Attendees					
Oliver Judges (OJ)	Matthew Henry (MH)	Michelle Drewery (MD)	Alexa Baker (AB)	James Arrandale (JA)	
Optional Attendees					
David Ousby (DO)	James Grant (JG)				

Apologies					
Vanessa Dunmall (VAD)					

		Action Log Ref No
	Additional meeting regarding Parkway and Salters Road.	
1.	Apologies	
2.	<p>OJ / AB had requested the additional meeting to ensure OMPB were fully informed with the current position and issues on the Parkway and Salters Road sites due to the groundworks contractor, Bowie ceasing trading. OJ outlined that he wanted OMPB to have the up-to-date picture.</p> <p>JG started by explaining that the same groundworks contractor had been appointed by Lovell to both sites; he explained that that other Lovell sites were using different groundworks contractors. He went on to describe that there are a number of activities that the groundworks contractors undertake and these are split into two main packages – traditional groundworks, things like scaffold bases, roadways, footpaths, drainage and some works around foundations (although not the actual delivery of foundations); these are fairly simple that all competent groundwork contractors would be able to undertake. The second type are more complicated and move towards civil engineering works; this is the kind of groundworks at the Parkway site. For example the construction of a pumping station which has an 8 metre pit beneath it – the attenuation tank. This more complicated type of work is work that some of the more local contractors may not have the capacity and knowledge to undertake.</p> <p>Currently, Lovell are dealing with 4 groundwork contractors, two local and two national. There are discussions going on with all 4 contractors to ensure that the best package of work sits best with which contractor for the best cost, whilst ensuring that the bricklaying and current activity on site is kept moving forward. It's anticipated that the strategic pricing, packaging and review of these works will have been concluded by the end of April.</p>	

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JG outlined that the best-case scenario would be that Lovell find a contractor who is happy to pick up the current programme. He is confident that there is enough total time in the programme that there would be no overall delays – albeit that it is accepted that there will be delays to delivery of the first few plots initially.

The Board considered questions and responses around procurement, contractual matters and due diligence checks. It was confirmed that Lovell have terminated their contract with Bowie. Lovell have committed to have a groundworks company back on site by 07.05.24, DO explained that this is likely to be a hybrid solution – an initial package to keep things moving, a secondary package for basic groundworks and a third package which will take longer but covers the more complex civil engineering.

It was explained that the nature of the PPC partnership that is in place, means that detailed costs and arrangements are under regular review each month. MD commented that the out-turn report would be taken to members in the summer and this is when a definite revision of financial impacts would be needed.

During a discussion around processes and credit checks, DO confirmed that as part of the Parkway development Cabinet report process, a full review of the Development Management Agreement and the PPC with Lovell was undertaken.

Key points that the Board wishes to fully understand

- what this issue means to BCKLW financially [*there are not just capital implication, also revenue implications*]
- what contractually sits with BCKLWN and what sits with Lovell.
- At what stage the matter needs to be taken back to elected members if things go beyond key decision stage [*currently, this is an operational matter, but need to understand when we will know when we may need to*]
- The basis of the 'financial checks' element of the 'authorisation to enter contract' form that Lovell provide to BCKLWN prior to starting works; although it was noted that to go onto the Lovell 'vendor registration', sub-contractors would have had to go through a number of financial checks [*likened to the equivalent of being on a procurement framework*]

The Board agreed that

- BCKLWN needs to manage the risk rather than anything directly [*this is a contractor / sub-contractor issue*]
- Portfolio Holder and Cabinet briefings would be undertaken as soon as possible.
- it needs assurance around where we sit on risk.
- there is a possibility that Lovell manage to arrange contract(s) which mean that many of the risks being logged don't come to fruition.
- there is a need to wait for further information and prices to come back in from Lovell.

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	<ul style="list-style-type: none"> - Future sites (in particular Lynnsport 1) will not be entered into until assurance is in place that things are well managed. <p>ACTION: Legal opinion to be sought on the risk to BCKLWN.</p> <p>ACTION: Consider whether processes should be changed so that BCKLWN ensure that Lovell do carry out credit checks on sub-contractors prior to appointing them.</p> <p>ACTION: Briefing Paper to be brought back to OMPB outlining what the review of the DMA and PPC covered, in early 2023. To include</p> <ul style="list-style-type: none"> - What did the review entail - What were the findings - This is when the DMA and PPC will be reviewed again 	<p>40</p> <p>41</p> <p>42</p>
<p>Date of next meeting: Weds 17th April 2024 @ 10:45 via Teams</p>		