

Committee: Barbican Residential Committee	Date: 13 June 2016
Subject: Report of Urgent Action Taken Issues Report: Communal repairs and redecorations programme for the Barbican Estate	Public
Report of: Town Clerk Report author: Julie Mayer	For Information
<p style="text-align: center;">Summary</p> <p>This report advises Members of action taken by the Town Clerk since the last meeting of the Committee, in consultation with the Chairman and Deputy Chairman, and in accordance with Standing Order No. 41.</p> <p>Recommendation:</p> <p>Members are asked to note the following decision, taken under urgency procedures, since the last meeting:</p> <p>Communal Repairs and Redecorations Programme for the Barbican Estate (3-5 year programme of works) – Issue Report</p>	

Summary of Issue

Following the procurement process, the total project budget for the 3-5 year Communal Repairs and Redecorations Programme for the Barbican Estate, encompassing the winning tender and associated staff, costs & fees, exceeded the estimated budget range approved by the Projects Sub Committee, at Gateway 3/4, by £584,450.

Background/Proposal

A budget of £1,128,000 for the first year's works of the programme was approved by your Committee on 14th December 2015. The budget for subsequent year's works within the programme would normally be presented to the Barbican Residential Committee for approval on a yearly basis. However, in order to let the contract, approval of the additional budget for the full programme of works was required in April 2016, as per paragraph 38 of the project procedure, in order to advance the project.

Financial Implications

The project is funded by the City Fund, the majority (circa 95%) of the cost is recoverable by way of service charges from leaseholders and the remainder (circa 5%) is funded from on-going annual Barbican Residential local risk revenue budgets.

A budget of £1,128,000 for the first year's works of the programme was approved by your Committee on 14th December 2015. Approval of the remainder of the project budget, for works in year's 2-5 of the programme, was required in order to advance the project.

Reasons for Urgency

- The Chamberlain advised that, as the tendered amount was more than 5% above the amount approved by the Projects Sub Committee at Gateway 3/4, it would need to be approved by the Projects Sub Committee. An Issues Report was therefore presented to the Projects Sub Committee on 11th May 2016 and subsequently approved.
- Delaying the approval of the report to the next meeting of the Barbican Residential Committee, on 13th June 2016, would have resulted in the external redecorations to some of the blocks being delayed until the Autumn/Winter of 2016. The greatly increased chance of inclement weather in the latter part of the year would have put the timely delivery of the programme at significant risk and may have caused costs to increase. Approval under urgency would allow external works to commence by late Spring/early Summer and make optimal use of the good weather. The requirement to submit an Issue Report was only apparent post the last Barbican Residential Committee Meeting on 14th March 2016.

Options

1. Approve the increase in project budget to a total of £2,271,950. This is the recommended option.
2. Undertake a new tender.

Recommendation

With the construction and maintenance industry continuing to inflate, re-tendering the works was likely have increased costs further. In addition, the concomitant programme delay, whilst works were being re-tendered, would have caused the recommended existing paint product lifecycles to be exceeded, to the detriment of the structure of the Grade II Listed Barbican Estate and its associated high reputation and property values. Re-tendering was therefore not recommended.

The Town Clerk, in consultation with the Chairman and Deputy Chairman of the Barbican Residential Committee, therefore approved an increased total project budget of £2,271,950, to allow the project to proceed on track.

Julie Mayer
Town Clerk's
Julie.mayer@cityoflondon.gov
tel: 020 7 332 1410