

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND TRANSPORT

Decision Made: 19 August 2011

PROJECT MANAGEMENT OF THE HIGH STREET IMPROVEMENT PROJECT

Issue for Decision

To consider the project management arrangements for the High Street Improvement project during the construction phase.

Decision Made

1. That an external Project Manager be appointed to manage the project contracts during the construction phase.
2. That the additional cost for this post be funded from the Council's Growth Point revenue grant.

Reasons for Decision

In May 2009, following a Royal Institute of British Architects (RIBA) managed international design competition, Cabinet agreed to appoint Letts Wheeler Architects to take forward their winning design.

Letts Wheeler led a consortium of consultants including Martin Stockley Associates (Civil Engineers) Sutton Vane Associates (lighting designers) and Chris Tipping, a public realm artist.

Maidstone Borough Council has appointed Focus Consultants as the Council's quantity surveyors and cost consultants.

Kent County Council has agreed to fund the appointment of Jacobs UK to act as CDM Coordinator (Health and Safety) and contribute £600,000 towards the project.

Following an OJEU restricted tendering procedure, Ringway was appointed as the main contractor in May 2010. This appointment was separated into two contract stages. Stage 1 required Ringway to work in a professional services role alongside the design team.

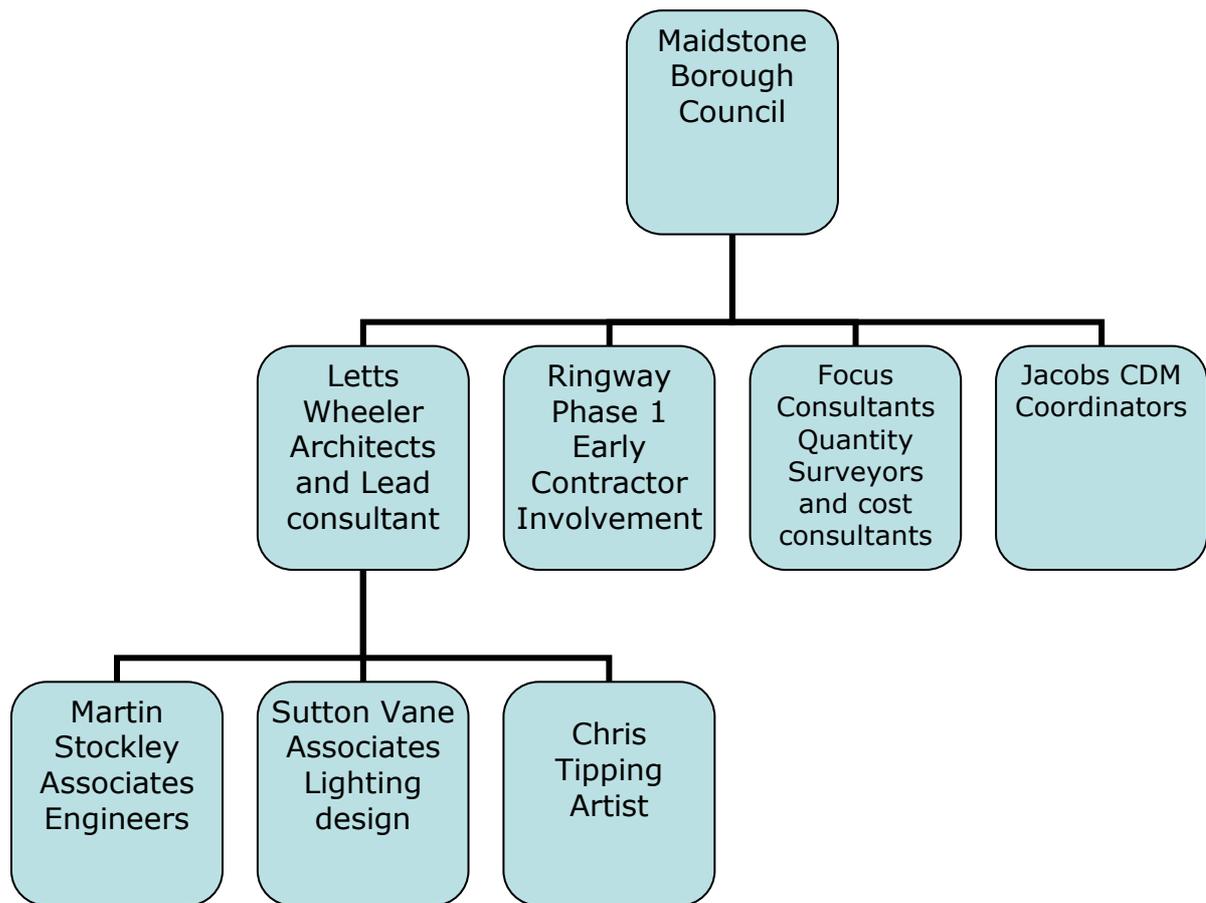
This period has been used to obtain the full benefit of Ringway's experience in construction sequencing, value engineering, programming and general viability.

The appointment of the contractor to undertake Stage 2, the construction phase, was dependent upon funding being available and on the contractor's satisfactory performance during Stage 1. Ringway's performance has been good and their team has been proactive and made significant contributions to the work of the design team.

On the 9th March Cabinet agreed that Ringway be appointed to undertake stage 2 of its contract limited to Phase 1a and Phase 1b.

The contract structure pre construction is shown diagrammatically as Figure 1.

Figure 1



It was initially proposed that post construction Letts Wheeler would take on the role of Project Manager and the fees for this work were included in the budget approved by Cabinet on the 9th March. However in the light of previous experience it is proposed that there should be a separation of responsibilities and duties between project manager and designer.

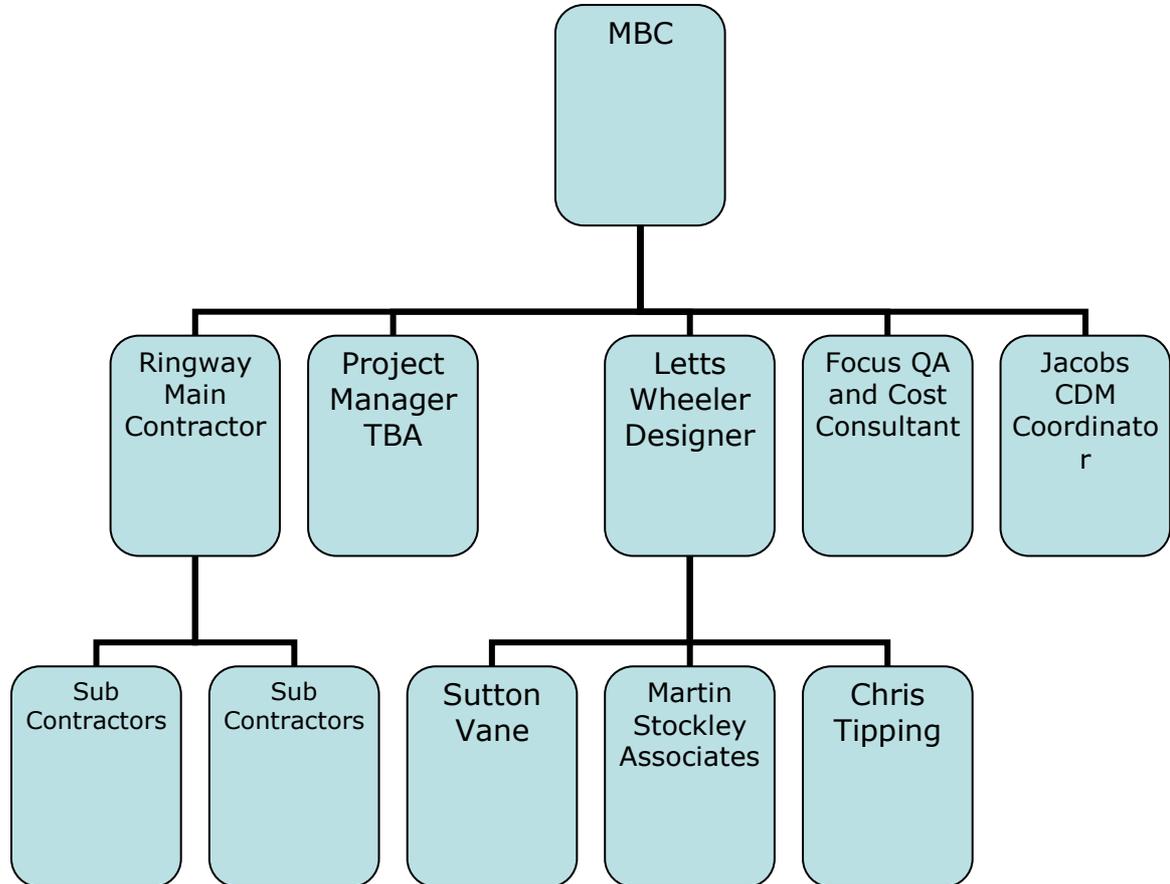
A project manager with a civil engineering background is considered to offer a more robust method of ensuring the contract is managed effectively and delivered on time and within budget.

A suitably qualified Project Manager with these skills, sourced externally, is likely to cost more than then current budget allocated for this work. It is

therefore proposed that £40,000 of Growth Point revenue grant be allocated to the project to resource this appointment.

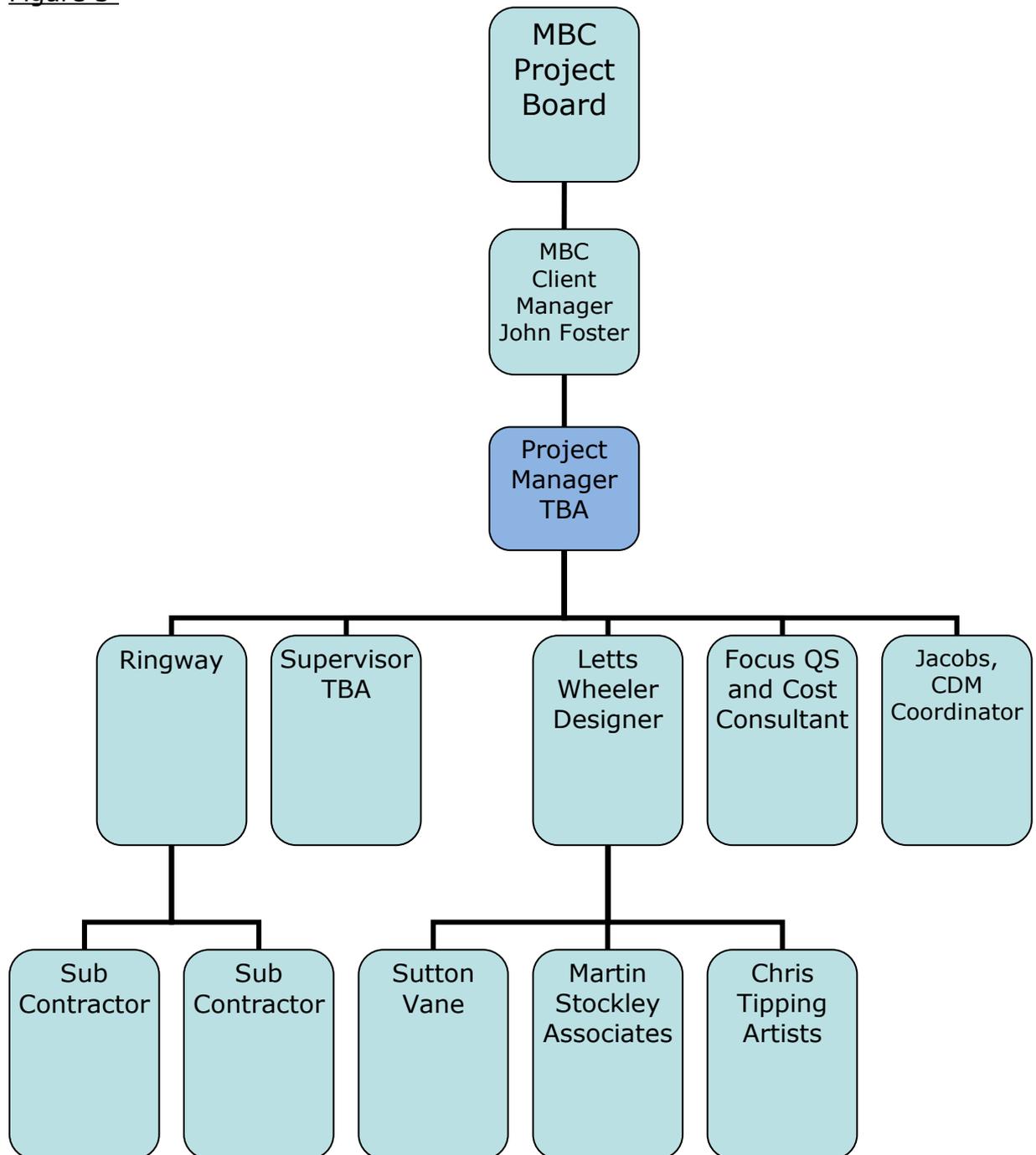
The post contract relationship proposed is set out in Figure 2.

Figure 2



The reporting relationship is set out in Figure 3:

Figure 3



Alternatives considered and why rejected

An alternative approach could be to allocate an internal officer to take on the role of the contract project manager. However there is currently no-one internally who has the relevant skills.

Background Papers

None

Should you be concerned about this decision and wish to call it in, please submit a call in form signed by any two Non-Executive Members to the Head of Change and Scrutiny by: **26 August 2011**