

EAST AYRSHIRE COUNCIL

COMMUNITY SERVICES COMMITTEE - 4th APRIL 2001

NEW VISITOR CENTRE, DEAN CASTLE COUNTRY PARK, KILMARNOCK

Report by the Director of Homes and Technical Services

1. PURPOSE OF REPORT

- 1.1 To advise the Committee of the final measurement and contractual overspend upon the above project.

2. BACKGROUND

- 2.1 The Contract was accepted by Kilmarnock and Loudoun District Council on 31st March 1995, in the Contract Sum of £593,359.09.
- 2.2 During the course of the project, the project was financially monitored relative to a number of other projects which was supported by ERDF funding and, as a result of anticipated savings on other projects, the specification for the Visitors Centre was enhanced, within tolerable financial limits.

3. CONTRACTUAL OVERSPEND

- 3.1 It has now been possible to agree the Final Measurement of the works with the Contractor in the amount of £672,597.52. After addition of £4,138.00 for direct payments to statutory undertakers for which financial provision was made within the tender document, the overall cost of £676,735.52 represents an overspend of £83,376.43, which is as a result of the aforementioned increased specification together with unforeseen additional costs relating to external works and drainage.
- 3.2 As the final cost of this contract exceeds the accepted contract sum by more than 10%, it is required that the Committee, in terms of Paragraph 18(2)(b) of the Council's Standing Orders relating to contracts, receive an explanation of the circumstances and the financial implications.

4. FINANCIAL IMPLICATIONS

- 4.1 Financial provision has been made within the current years Community Services Capital Programme for the outstanding balance of £19902.52 to be certified.

5. LEGAL POLICY IMPLICATIONS

5.1 The Council is contractually bound to pay the Contractor for the works executed.

6. RECOMMENDATION

6.1 It is recommended that the Committee note:-

- (i) the final measurement in respect of the works associated with the above Capital Project; and
- (ii) the reasons for the contractual overspend and the financial implications, as detailed in this report.

James Lavery
Director of Homes and Technical Services

26 March 2001

JL/AP

LIST OF BACKGROUND PAPERS

Nil

For further information please contact Alan Paterson, Principal Quantity Surveyor, Department of Homes and Technical Services on 01563 555249.

AGENDA