

27<sup>th</sup> September 2018

Pooneeta Mahadeo

School Organisation Manager

London Borough of Havering

Education Provision and Specialist Commissioning

9<sup>th</sup> Floor Mercury House Mercury Gardens,

Romford RM1 3DW

Dear Pooneta,

**Priority Schools Building Programme – Capital Contribution relating to additional works at The Royal Liberty School, Upper Brentwood Road, Romford, Essex, RM12 6HJ**

I refer to the Section 151 letter of 21<sup>st</sup> September 2017, where the Local Education Authority stated its intention to provide a capital contribution of £3,360,000 plus VAT for the provision of Additional Works over and above the ESFA's control option of works to be carried out at The Royal Liberty School.

This letter is to provide you with an update as to the costs of the Additional Works and the increase in the Council's Contribution. Further to our discussions, I write to confirm that due to the onerous planning requirements which have been imposed by the planning authority due to Hare Hall being a Grade 2\* listed building the anticipated cost of the Sports Hall and ancillary works have increased.

The increase in costs is now circa £5.1m as at 21<sup>st</sup> June 2018 based on the Stage Two submission made by our contractor, Wilmott Dixon Construction Limited.

Arcadis, our Technical Advisers, have provided a detailed breakdown as follows:

**Review of Havering 1FE Works**

**21.06.18**

Ref	Area	Budget	Inflated Budget	Willmott Dixon RIBA 2 Cost Plan	Difference to Budget	Difference to Inflated budget	Notes
1	Early Works / Temps	£514,000	£514,000	£230,167	(£283,833)	(£283,833)	This is firm price reviewed and ready to instruct
2	Sports Hall	£2,353,000	£2,570,000	£3,668,198	£1,315,198	£1,098,198	Works due to start 2Q 2019
3	Block A Refurbishment	£311,000	£343,000	£566,522	£255,522	£223,522	Works due to start 4Q 2019
4	Block C & E Refurbishment	£452,000	£510,000	£158,124	(£313,876)	(£371,876)	Works due to start 4Q 2019
5	Fire Alarm and emergency Lighting	£150,000	£163,833.40	£223,111	£73,111	£59,278	LBH to confirm fire alarm budget
6	Willmott Dixon MC2 fees	incl	incl	£340,334	£340,334	£340,334	
7	Variations to WD	incl	incl	£9,444	£9,444	£9,444	These items are included in Arcadis budget
	<b>Total</b>	<b>£3,780,000</b>	<b>£4,100,833</b>	<b>£5,175,900</b>	<b>£1,395,900</b>	<b>£1,075,066</b>	

**Summary**

Early Works 2018 Under Budget  
1FE refurbishment works Under Budget  
Sports Hall Over Budget

**Firm Price recommendation**

**Estimation from Contractor**


1 Early works for Summer 2018	£230,167
2 RIBA 1 for all LB Havering works	£48,642
3 RIBA 2 for all LB Havering works	£92,565
4 RIBA 3 for all LB Havering works	£78,408
5 Variations to original scope	£9,444
6 Total	£459,226

The understanding remains that the Council agrees and acknowledges this figure remains an estimate until the final costs of the Additional Works have been evaluated, confirmed and agreed with the Council at which point the Council then agrees to pay the Additional Costs in accordance with the terms as stated in the letter of 21<sup>st</sup> September 2017.

If you have any queries please do not hesitate to contact me.

All defined terms in this letter have the same meaning as given to them in the s151 letter of 21 September 2018.

Yours sincerely,



Ed Furse  
Interim Head of Operations – South 1