

Mr Bowles 15732

1st November, 1960

NI/GP/60/45

NATIONAL INSTITUTE FOR RESEARCH IN NUCLEAR SCIENCE

GENERAL PURPOSES COMMITTEE

Request for Increased Limits of Expenditure on Two
Contracts for Nimrod Building Services

Note by the Secretary

An urgent need has arisen to increase the limit of expenditure on contracts placed with N.G.Bailey and Z. D. Berry for mechanical and electrical building services on the Nimrod construction project. Commitments have approximately reached the amounts approved, and to stop the work would very seriously interfere with the construction.

An enquiry is being made to find out why this need was not known in good time, and the result will be reported. In the mean time, the need for immediate increases on the two contracts is set out in the enclosed paper written by Mr. Bowles after consulting Dr. Vick. It will be seen that the proposed increased limits on these contracts would not involve any increase in the present approved Nimrod building estimate of £3.101M. No other changes are now foreseen which would necessitate an increase in this estimate.

Since authorisation of these increases is so urgently required, I shall be grateful if Members will let me know whether they have any objection. If there are no objections, I will ask the Chairman if he will approve the increases on behalf of the Committee.

.....

NIMROD M & E Building Services

1. In July 1960, the Treasury approved Building Estimates for Nimrod of £3.101M (excluding C.V.C.2.). This sum was reported to the General Purposes Committee in paper NI/GP/60/3 as follows:-

	£M
Civil and Building work	1.982
M & E Services	0.736
Fees	0.353
Furniture	0.030
	<u>3.101</u>

2. As the majority of the work is now completed on site the Quantity Surveyors were asked to accelerate their measurements in order that the present and future reports of Anticipated Final Costs would be more accurate.
3. Now that the amount of measured work is a substantial proportion of the whole scheme the Southern Works Organisation are of the opinion that some re-distribution of expenditure will be necessary within the total approved estimate. In particular, the expenditure on M & E contracts will be greater than that estimated, but some savings will be achieved on the Civil side.
4. Southern Works Organisation have been asked to report back after consulting both Merz and McLellan and Faulkner and Partners the nominated Quantity Surveyors. A large amount of detail work is required and this will take about 4 weeks. In the mean time it is necessary to amend two M & E contracts since delay in doing this would cause serious overcommitment to occur on these contracts.
5. The two contracts concerned are that with N. G. Bailey for Electrical Installations, and that with Z. D. Berry for Mechanical Services. Both these contracts were let on the basis of lump sums quoted from preliminary drawings, a contractual condition being made that the contracts would be varied if the value of the measured work was in excess of that set out in the Approximate Bill of Quantities which accompanied the offers.
6. In the case of the Z. D. Berry contract the Financial Approval was for £69,000, and it is now anticipated that this will be exceeded by at least £25,000. In the case of the N. G. Bailey contract the Financial Approval set for £71,000, and it is now anticipated that this will be exceeded by at least £45,000.
7. We are advised by the Southern Works Organisation that the above increase in cost can be met from the present Treasury approval if £35,000 is transferred from the contingency allowances.
8. Approval is therefore sought for the following:-
- 8.1 An increase of £25,000 in the limit of expenditure on the contract with Z. D. Berry.
- 8.2 An increase of £45,000 in the limit of expenditure on the contract with N. G. Bailey.

P. Bowles

31st October, 1960.