

# URGENT CABINET MEMBER DECISION



SOUTH  
KESTEVEN  
DISTRICT  
COUNCIL

## Decision:

**That approval is granted for an additional budget of £190,000 from the HRA New Build Programme for the construction of the 20 units at Swinegate, Grantham.**

### (1) Details of Decision

To seek approval to increase the budget for the approved scheme for building 20 units at Swinegate, Grantham.

### (2) Considerations/Evidence

Cabinet approved on the 7th March 2023 to enter into a contract with Lindums for £3,519,690.00.

In addition to the contract sum, it was further agreed that a delegation be put in place for the Chief Finance Officer (s151 Officer) to increase the price variation to the contract of no greater than 10% (in consultation with the Cabinet Member for Housing and Planning) due to the complexity of the new build and the associated price volatility.

The addition of the 10% variation means that the contract sum should not exceed £3,871,659. To respond to the rising costs associated with the delivery of the scheme, the delegation has been introduced to increase the budget.

However, the budget uplift has proven insufficient and Lindums have tendered the scheme and has provided a fixed-price cost of £4,034,866.17.

The cost increase has been for a number of reasons, but the main ones relate to inflation over the period of the contract, utilities and changes to the site configuration resulting from scheme complexities.

The difference in cost is therefore £163,207.17 but to allow a small contingency the recommendation is to seek approval for £190,000 be allocated to the project from the already approved HRA new build programme of £4.5m for this year to allow a contract to be entered into as soon as possible to secure the fixed costs.

**(3) Reasons for Decision:**

The Council has committed to delivering the 20 units and has an approved budget. To reduce the specification would mean compromising on some elements of the scheme which would be disappointing as this would impact the aesthetics of the development.

**Conflicts of Interest**

**(Any conflict of interest declared by any other Cabinet Member consulted in relation to the decision to be recorded).**

None

**Dispensations**

**(Any dispensation granted by the Monitoring Officer in respect of any declared conflict of interest to be noted).**

None

**Decision taken by:**

Name: Councillor Phil Dilks  
Cabinet Member for Housing & Planning

**Date of Decision:** 25 July 2023

**Date of Publication of Record of Decision:** 25 July 2023

**Date decision effective:** 25 July 2023

As this is an urgent Non-Key Decision the call-in procedure does not apply.