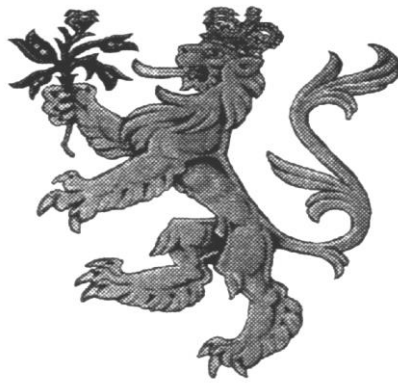


STATES OF ALDERNEY



BILLET D'ETAT

FRIDAY 27TH AUGUST 2021

STATES OF ALDERNEY

BILLET D'ETAT

FOR FRIDAY 27TH AUGUST 2020

Members of the States:

I have the honour to inform you that the Meeting of the States will be held at 2:30 pm on Friday 27th August 2021. This will be preceded by the People's Meeting, which will be held on Wednesday 25th August at 7.00pm in the Island Hall.

William Tate
President

Item I **Connaught Extension Project**

The following letter was received from Mr Abel, Chairman of the Policy and Finance Committee:-

"The original approved budget for Phase 3 of the new Connaught Extension of £1,290,000 was approved by the States of Alderney at its March 2020 meeting and subsequently by the States of Guernsey Policy & Resources Committee. This figure was a best estimate at the time, based on the build design. Since March 2020, detailed design has now been completed, the scope of works has been refined and tender submissions received to complete Phase 3.

Phase 1 of the Connaught project was separately approved by the States of Alderney in October 2019 and consequently by the Policy & Resources Committee, as standard practice through the approved finance and procurement process with Guernsey. Phase 2 of the project was submitted through a separate business case as had previously been done for Phase 1. However, whilst phases 2 and 3 are being progressed as separate distinct contracts, in principle capital funding for the complete Extension needed to be approved prior to commencement of Phase 2 (substructure and groundworks) which would not be progressed unless funding was also in place for Phase 3 (additional accommodation and supporting rooms).

Therefore, a joint business case for Phase 2 & Phase 3 was submitted and subsequently approved by the Policy & Resources Committee, who was advised that Phase 3 was a best estimate with budget revision likely once the detailed build information was known. All realistic information was taken into account at that time and was detailed in the Billet d'Etat for the States Meeting on 11th March 2020 where the States of Alderney resolved to approve funds for the delivery of the Connaught project Phase 2 and Phase 3. Since this original Phase 3 part of the budget was approved the detailed design and the scope of works has been completed and refined and tender submissions received to complete Phase 3. The budgeted cost of Phase 3 has increased by £737,000 to £2,027,000.

Due to the long lead up time before Phase 3 would have commenced there was an accepted risk of a possible budget change request, however it should be noted that this change in the financial request has been significantly impacted by both Covid and Brexit in relation to material costs and availability as well as annual inflation costs from the time of budget to actual delivery.

It is worth noting that Phase 1 and Phase 2 were delivered within budget.

The States of Guernsey's Director of Procurement has provided oversight throughout the project's procurement process which incorporates tender process, tender assessment and scoring, and the types of contracts implemented.

I would be grateful if this matter is placed before the next meeting of the States of Alderney with an appropriate proposition.

Bill Abel, Chairman"

Proposer: Bill Abel
Secunder: Kevin Gentle

The States of Alderney is asked to approve the recommendation from the Policy and Finance Committee to provide additional funds of up to £737,000 for the delivery of Phase 3 of the Connaught project and to authorise the Policy and Finance Committee to recommend to the States of Guernsey Policy & Resources Committee that approval be given for the additional funding of £737,000 for Phase 3 of the Connaught Extension project.

Item II **Questions and Reports**

No Questions or Reports were received at time of publication.

Issued: 23rd August 2021