

| 47-61 Comely Bank Road           |                   |                              |                           |                            |                          |                                   |                                    |            |                                 |                               |                               |                               |                              |
|----------------------------------|-------------------|------------------------------|---------------------------|----------------------------|--------------------------|-----------------------------------|------------------------------------|------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------|------------------------------|
| Project Reference:<br>1C/08/1018 | Executive Summary |                              |                           | Stage 1<br>Review & Record |                          |                                   |                                    |            |                                 |                               |                               |                               |                              |
|                                  | 1<br>General      | 2<br>Next Steps /<br>Actions | 3<br>Quality<br>Assurance | 4<br>Evidence of<br>Defect | 5<br>Statutory<br>Notice | 6<br>Procurement of<br>Contractor | 7<br>Procurement of<br>Consultants | 8<br>Costs | 9<br>Contract<br>Administration | 10<br>Statutory<br>Compliance | 11<br>Finance<br>Requirements | 12<br>Next Steps /<br>Actions | 13<br>Additional<br>Comments |
| Questions Completed              | 16                | 1                            | 3                         | 3                          | 7                        | 6                                 | 2                                  | 4          | 17                              | 4                             | 7                             | 1                             | 1                            |
| Questions in Section             | 16                | 1                            | 3                         | 3                          | 7                        | 6                                 | 2                                  | 4          | 17                              | 4                             | 7                             | 1                             | 1                            |
| Percentage Complete              | 100%              | 100%                         | 100%                      | 100%                       | 100%                     | 100%                              | 100%                               | 100%       | 100%                            | 100%                          | 100%                          | 100%                          | 100%                         |
|                                  | 100%              |                              |                           | 100%                       |                          |                                   |                                    |            |                                 |                               |                               |                               |                              |

|                      | Stage 2<br>Resolution and Verification |            |                              |                                  |                         | Stage 3<br>Items for Billing   |
|----------------------|--|------------|------------------------------|----------------------------------|-------------------------|--------------------------------|
|                      | 14<br>Statutory<br>Notice              | 15<br>Cost | 16<br>Completion<br>of Works | 17<br>Recommendation<br>to Panel | 18<br>Panel<br>Decision | 19<br>Essential<br>Information |
| Questions Completed  | 5                                      | 14         | 3                            | 1                                | 1                       | 3                              |
| Questions in Section | 5                                      | 14         | 3                            | 1                                | 1                       | 3                              |
| Percentage Complete  | 100%                                   | 100%       | 100%                         | 100%                             | 100%                    | 100%                           |
|                      | 100%                                   |            |                              |                                  |                         | 100%                           |

Total Report Status

100%

|                     |     |
|---------------------|-----|
| QA Check 1 Complete | Yes |
|---------------------|-----|

|                     |     |
|---------------------|-----|
| QA Check 2 Complete | Yes |
|---------------------|-----|

|                     |     |
|---------------------|-----|
| QA Check 3 Complete | Yes |
|---------------------|-----|

| 1. General   |   |  |
|--|---|--|
| 1.1  | Date of file review commenced   | 18/02/2014   |
| 1.2  | Date of file review complete  | 28/08/2014   |
| 1.3  | Reviewed by   |  |
| 1.4  | CEC Project Category (1-6) and Sub-Category   | <div>Category</div> <div>five</div> <div>Sub-Category</div> <div>Works Complete</div>  |
| 1.5  | DRE Project Category (1-6) and Sub-Category   | <div>Category</div> <div>five</div> <div>Sub-Category</div> <div>Post Completion Review</div>  |
| 1.6  | Project reference   | TC/08/1018   |
| 1.7  | Project address   | 47-61 Comely Bank Road   |
| 1.8  | Description of works on Notice(s)   | <p>07/02777/24_R - Uplift and renew worn and blistered felt platform roof including low level areas at eaves level to rear elevation. Blisters formed under chippings on roof. Renew all worn and perished lead/zincwork forming backgutters, valleys, ridges, apron flashings at cupola etc. Renew, replace missing and broken slates to all slated slopes. Hack off and renew cracked and spalling cement skewers between slated slopes and skew copes and with lead watergates between slated slopes and chimney breasts and parapet walls. Clean rhones at front and rear elevations ensuring all joints are watertight and rhones drain freely, renewing any worn sections and repairing any leaking joints. Pick, point and repair all spalling and weathered masonry to front elevation 7 vent chimney. Pick, point and repair all spalling and weathered masonry to front elevation 4 vent wallhead chimney. Pick, point and repair all spalling and weathered masonry to rear elevation 7 vent chimney. Pick, point and repair all spalling and weathered masonry to rear elevation 4 vent wallhead chimney. Issuing Officer</p> <p>07/02780/24_R - Pick, point and repair all spalling and weathered masonry to 8 vent front and 8 vent rear mutual chimneys including parapet walls between chimneys. Issuing Officer</p> <p>07/02781/24_R - Hack off and renew cracked and bossed render finish to 8 vent front and 8 vent rear mutual chimneys. Issuing Officer</p> |
| 1.9  | No of scap(s) on Notice   | <div>Notice Ref</div> <div>07/02777/24_R</div> <div>07/02780/24_R</div> <div>07/02781/24_R</div> <div>No of Shares</div>   |
| 1.10   | Is there any evidence on file to suggest the number of owners on the Notice is incorrect? | Yes  |
| 1.11   | Contractor(s)   | <div>Contractor</div> <div>B Grigg &amp; Sons</div> <div>Status</div> <div>Trading</div>   |
| 1.12   | Consultant(s)   | <div>Consultant</div> <div>David Adamson</div>   |
| 1.13   | Has the project been to adjudication?   | No   |
| 1.14   | Has the project been through the Resolution Panel?  | Yes - this is a deferred case.   |
| 1.15   | Contract sum  | £83,287.20   |
| 1.16   | Final Account sum   | £109,930.00  |
| 1.17   | Percentage difference between contract sum and final account                              | 32%  |
| 1.18   | Assumed commencement date of work   | 01/07/2009   |
| 1.19   | Assumed completion date of work   | 17/06/2010   |
| 2. Next Steps / Actions                                      |   |  |
| Pass information pack to CEC for billing and further action. |   |  |

|                             |  |                                      |
|-----------------------------|--|--------------------------------------|
| <b>3. Quality Assurance</b> |  |                                      |
| 3.1                         | QA Check 1 - Resolve and Verify surveyor:            |                                      |
| 3.1.1                       | Pass to QA Check 2 after Stage 2 Resolve and Verify: | No - Refer to Deloitte Project Panel |
| 3.1.2                       | Pass to QA Check 2 after Deloitte Project Panel:     | No - Refer to CEC Project Panel      |
| 3.1.3                       | Pass to QA Check 2 after Deloitte Cost Panel:        | N/A                                  |
| 3.1.4                       | Pass to QA Check 2 after CEC Project Panel:          | Yes                                  |
|                             |  |                                      |
| 3.2                         | QA Check 2 - Peer Review:                            | Peer Reviewer                        |
|                             |  | Date of Review                       |
|                             |  | 5/09/2014                            |
| 3.3                         | QA Check 2 - Pass to QA Check 3?                     | Yes                                  |
|                             |  |                                      |
| 3.4                         | QA Check 3 - Partner / Director Sample               | Partner / Director Reviewer          |
|                             |  | Date of Review                       |
|                             |  | 6/09/2014                            |
| 3.5                         | Ready to be passed to Billing Team:                  | Yes                                  |



| 4. Evidence of Defect:                                       |          |   |
|--|----------|---|
| 1 Are there photographs on file of defect?                   | Yes / No | Provide Details   |
|  | Yes      | Numerous photos on file showing pre works condition and during progress condition. Periodic inspection photos on disk from commencement through to completion.  |
| 2 Are there site surveys and notes on file regarding defect? | Yes / No | Provide Details   |
|  | Yes      | Survey notes dated 25 July 2008.  |
| 3 Is there correspondence on file identifying the defect?    | Yes / No | Provide Details   |
|  | Yes      | Email dated 16/09/2009 from [REDACTED] (DA&P) to [REDACTED]. Lists works picked up in original survey of 25/07/2008.<br><br>DA&P Condition report regarding existing and additional works. Issued 25/09/2009. |

| 5. Statutory Notice:   |               |   |   |   |             |                                       |
|--|---------------|---|---|---|-------------|---------------------------------------|
| 1 Statutory Notice(s) on file?   | Notice Ref    | Section 24 Date   | Section 26 Date   | No. of Shares   | Notice Type | Did owners carry out work themselves? |
|  | 07/02777/24_R | 12/12/2007  | n/a   |   | Repair      | No                                    |
|  | 07/02780/24_R | 12/12/2007  | 01/05/2008  |   | Repair      | No                                    |
|  | 07/02781/24_R | 12/12/2007  | 01/05/2008  |   | Repair      | No                                    |
| 5.2 Is there any evidence on file to suggest the number of owners provided in Q5.1 is incorrect?   | Yes / No      | Explanation of Evidence   |   |   |             |                                       |
|  | Yes           | None of the notices were served on nr 53, which is listed as a separate entity on the current PEC search.<br>[REDACTED]   |   |   |             |                                       |
| 3 Description of works on Notice   | Notice Ref    | Description of Works  |   |   |             |                                       |
|  | 07/02777/24_R | Uplift and renew worn and blistered felt platform roof including low level areas at eaves level to rear elevation. Blisters formed under chippings on roof. Renew all worn and perished lead/zincwork forming backgutters, valleys, ridges, apron flashings at cupola etc. Renew, replace missing and broken slates to all slated slopes. Hack off and renew cracked and spalling cement skewers between slated slopes and skew copes and with lead watertakes between slated slopes and chimney breasts and parapet walls. Clean rhones at front and rear elevations ensuring all joints are watertight and rhones drain freely, renewing any worn sections and repairing any leaking joints. Pick, point and repair all spalling and weathered masonry to front elevation 7 vent chimney. Pick, point and repair all spalling and weathered masonry to front elevation 4 vent wallhead chimney. Pick, point and repair all spalling and weathered masonry to rear elevation 7 vent chimney. Pick, point and repair all spalling and weathered masonry to rear elevation 4 vent wallhead chimney. Issuing Officer [REDACTED].<br><br>NB: RE: 51,53, 55 Comely Bank Road. Issued to 51, 53(1F1),(1F2),(2F1),(2F2),(3F1),(3F2), 55 |   |   |             |                                       |
|  | 07/02780/24_R | Pick, point and repair all spalling and weathered masonry to 8 vent front and 8 vent rear mutual chimneys including parapet walls between chimneys. Issuing Officer [REDACTED].<br><br>NB: RE: 51,53, 55, 57, 59, 61 Comely Bank Road<br>Issued to 51, 53(1F1),(1F2),(2F1),(2F2),(3F1),(3F2), 55, 57, 59(1F1),(1F2),(2F1),(2F2),(3F1),(3F2), 61   |   |   |             |                                       |
|  | 07/02781/24_R | Hack off and renew cracked and bossed render finish to 8 vent front and 8 vent rear mutual chimneys. Issuing Officer [REDACTED].<br><br>RE: 47, 49, 51,53, 55 Comely Bank Road<br>Issued to 47, 49(1F),(2F),(3F), 51, 53(1F1),(1F2),(2F1),(2F2),(3F1),(3F2), 55   |   |   |             |                                       |
| 4 Have the property owners shown cause as to why the works should not be completed by the council? | Yes / No      | Details   |   | Evidence of Cause   |             |                                       |
|  | Yes           | Extent of proposed works to some chimneys not required  |   | Structural engineers report, prepared by David Narro Associates dated 06/10/2009. |             |                                       |
| 5 Was the probable cost notified to owners?  | Notice Ref    | Yes / No  | Estimated Cost  |   |             |                                       |
|  | 07/02777/24_R | Yes   | [REDACTED] incl fees and VAT. DA&P letter to owners 07 May 2009. [REDACTED] shares. |   |             |                                       |
|  | 07/02780/24_R | Yes   | [REDACTED] incl fees and VAT. DA&P letter to owners 07 May 2009. [REDACTED] shares. |   |             |                                       |

|   |                 |                      |  |
|---|-----------------|----------------------|--|
|   | 07/02781/24_R   | Yes                  | £1,188.99 incl fees and VAT. DA&P letter to owners 07 May 2009. [REDACTED] shares. |
| 5 Did the probable cost notified to the owners include fees and VAT?  | Yes / No<br>Yes |                      |  |
| 7 Have works been carried out that are not covered by the Notice(s) ? | Yes / No        | Description of Works |  |
|   | Yes             | See 14.4             |  |

| 6. Procurement of Contractor |  |                |  |                                  |
|------------------------------|--|----------------|--|----------------------------------|
| 1                            | Who was the successful contractor?                         | Contractor     | Framework                                      | Further Details                  |
|                              |  | G Grigg & Sons | On Framework                                   | Tender List Selection 14/09/2009 |
| 6.2                          | Is there evidence of tender documentation on file?         | Yes / No       | Evidence of Documentation                      |                                  |
|                              |  | Yes            | Priced bill of quantities.                     |                                  |
| 3                            | Is there a tender report or tender list selection on file? | Yes / No       | Evidence of Documentation                      |                                  |
|                              |  | Yes            | Tender List Selection 11/03/2009               |                                  |
| 6.4                          | Is there evidence of offer and acceptance on file?         | Yes / No       | Evidence of Offer and Acceptance Documentation |                                  |
|                              |  | No             | n/a  |                                  |
| 5                            | What was the tender sum?                                   | £83,207.20     |  |                                  |
| 6                            | What was the agreed contract sum?                          | £83,207.20     |  |                                  |

| 7. Procurement of Consultants                             |               |  |   |
|---|---------------|--|---|
| 1 Were consultants appointed?                             | Consultant    | On or Off Framework                                  | Scope of Service                            |
|   | David Adamson | Property Conservation Consultant Framework Agreement | Contract Administrator and CDM Co-ordinator |
| 2 Who is the principle CEC Property Conservation Officer? | [REDACTED]    |  |   |

| 8. Costs  |   |
|---|---|
| 1 What is the Final Account sum (excluding all fees, admin charges and VAT)?      | £109,010.11   |
| 2 Is there a signed Final Account statement on file?                              | Yes. Dated 13/12/10 for the amount of £109,010.11.<br><br>A Thorburn Ltd (£161.97) and J&R Mills (£758.00) have also been paid under this project code.<br><br>The total Final Account is therefore £109,930.08.        |
| 3 How has this figure been established?   | Unknown   |
| 4 From the review of the file have the owners suffered financial loss in any way? | Yes / No  |
|   | Yes   |
|   | Explanation of loss<br>Cost of appointing structural engineers. Due to alleged over-specified works the owners challenged through the appointment of their own expert. This resulted in CEC changing the specification. |



| 9. Contract Administration   |  |   |                              |
|--|--|---|------------------------------|
| 9.1 Which building contract were the works awarded under?  | Contract   |   | If other, please specify     |
|  | Minor Framework  |   | n/a                          |
| 9.2 Are copies of the contractor's insurance certificates on file?   | No   |   |                              |
| 9.3 Assumed commencement date of works?  | Date   | Source  |                              |
|  | Jul-09   | Payment Certificate Nr 1                                  |                              |
| 9.4 Assumed completion date of works?  | Date   | Source  |                              |
|  | 17/06/2010   | PC certificated dated 06/07/2010                          |                              |
| 9.5 Are copies of meeting minutes on file?   | No   |   |                              |
| 9.6 Are contract instructions on file?   | No   |   |                              |
| 9.7 Are interim payment certificates on file?  | Payment certificates 1 - 9. Nr 9 is final. No retention documented as held, although Nr 9 was issued on 23 May 2012 releasing £1,010.11 to reflect the signed final account.   |   |                              |
| 9.8 Is there a Practical Completion (PC) certificate on file?  | Yes / No   | Date of PC  | Date of Issue of Certificate |
|  | Yes  | 17/06/2010  | 06/07/2010                   |
| 9.9 Are there any guarantees for the work on file?   | Yes / No   | Details   |                              |
|  | Yes  | 20yr flat roof guarantee from G Griggs dated 18 May 2011. |                              |
| 9.10 Are guarantees individually priced in the Final Account?  | No - However, flat roof works not covered by Notice and so the cost would not be recovered in any case.  |   |                              |
| 9.11 What was the length of the rectification period?  | 12 months  |   |                              |
| 9.12 Are there snagging lists on file?   | Deloitte Project Power reports identifies defects as at the end of defects period. No evidence to confirm they were attended to.   |   |                              |
| 9.13 Is there a certificate of making good defects on file?  | Issued 23 May 2012 which is over 11 months after expiry of the rectification period.   |   |                              |
| 9.14 Was there a retention held?   | No   |   |                              |
| 9.15 Is there evidence of release of retention?  | n/a  |   |                              |
| 9.16 Has the project been subject to a claim or adjudication, if Yes provide details of complaints and findings? | No   |   |                              |
| 9.17 Has the project been through the Resolution Team, if Yes provide details and outcome?                       | <p>Yes - this project is a deferred Resolution Team case.</p> <p>The main complainant appears to be [REDACTED] (owner of [REDACTED]). The latest Resolution Team response is a Stage 2 response letter dated 23/12/13. This letter responds to the following concerns:</p> <ol style="list-style-type: none"> <li>1. Draft Notices were not seen nor approved by owners - RT confirmed they have evidence that the draft Notice was sent and approved. On this occasion, as there was written consent for the works to be done, a Statutory Notice was not issued.</li> <li>2. Tradesmen on site were aware of increased costs when owners were not and costs were only controlled after owners brought in their own engineers - RT advised they have seen no evidence that tradesmen were more informed than the owners, nor that the owners engineers influenced expenditure control on the project. RT advise that Deloitte LLP are reviewing the Final Account.</li> <li>3. The A38 clause has resulted in unacceptable increase in costs - RT advise that A38 is a standard way of managing scaffold provision in a contract and that there was an agreement for this additional work to be undertaken.</li> <li>4 &amp; 7 - That CEC changed from demolish and rebuild to repair and re-render following further information supplied in the independent engineer report - RT advised it is not unusual for differing professional opinions as to whether the chimney should be rebuilt. CEC are happy to accept the advice of David Adamson on whether demolition was the best option. When owners provided a different opinion through two independent engineers reports, CEC gave this serious consideration and took the advice David Adamson provided. CEC are content the owners engineers services were not required. Delay was encountered as a result of this and this was not due to CEC's actions. Therefore CEC will not be reimbursing owners the cost of these reports.</li> </ol> |   |                              |

|  |   |
|--|---|
|  | 5,6 & 8 - Structural concerns over the two front elevation chimneys - RT advised Will Rudd Davidson carried out calculations at the time of inspection and their findings are contained in their letter dated 07/06/10 (enclosed). They stated they would not disagree with the choice of repairs proposed. As part of the Stage 2 review, WRD were asked to provide an updated report based on more detailed calculations and copies of letters dated 16/01/13 and 06/12/13 are attached. CEC agreed on 10/12/13 that they will progress a project to repair/ replace defective chimneys aligned to the recommendations and the additional cost will not be passed on to owners. Further correspondence will be sent to owners on this matter in the New Year. |
|  | 9. That there was a fee increase for CEC's and David Adamson if the cost of works goes up - RT advised they apply a 15% administration charge on the cost of the work and outlined the work this charge covers. RT also advised that they have found no evidence of collusion between the parties involved to inflate the costs.  |
|  | 10. That CEC gave the impression that David Narro Associates was the original engineer for the works - RT advised that this is due to inaccurate wording in WRD's letter of 07/06/10. There is no evidence of any deliberate action or negative consequences of this inaccuracy.  |
|  | In addition to the above, the RT also provide a copy of the flat roof guarantee and associated documents showing the appropriate material has been applied. In respect of comments that the rear elevation was damaged due to the use of mechanical tools to remove existing pointing, CEC acknowledge that the use of mechanical tools is prohibited and that it is correct that their use was observed on site. However, the enclosed photos of the rear elevation show that there were chipped edges present before works were carried out.  |
|  | The letter concludes by advising that Deloitte LLP are verifying the Final Account and owners will be contacted in this regard in due course.   |

| 10. Statutory Compliance                                 |                             |                                       |                                     |
|--|-----------------------------|---------------------------------------|-------------------------------------|
|  | Was the consent required?   | Is there evidence it was applied for? | Was consent granted?                |
| 10.1 Listed building consent                             | No                          | n/a                                   | n/a                                 |
| 10.2 Planning consent                                    | No                          | n/a                                   | n/a                                 |
| 10.3 Building warrant final certificate                  | No                          | n/a                                   | n/a                                 |
|  | Was the project notifiable? | Was a CDM Co-ordinator appointed?     | Is there a copy of the F10 on file? |
| 10.4 Construction Design and Management Regulations 2007 | Yes                         | Yes                                   | Yes                                 |

|                           |  |  |                    |                   |
|---------------------------|--|--|--------------------|-------------------|
| 11. Finance Requirements: |  |  |                    |                   |
| 11.1                      | What was the total cost paid through VISA (taken from VISA System check)?                      | £120,396.09  |                    |                   |
| 11.2                      | What is the total cost paid through VISA per contractor and consultant?                        | Consultant or Contractor   | Name               | Total Amount Paid |
|                           |  | Consultant   | David Adamson      | £10,901.01        |
|                           |  | Consultant   | Will Rudd Davidson | £323.00           |
|                           |  | Contractor   | A Thorburn Ltd     | £161.97           |
|                           |  | Contractor   | G Grigg & Sons     | £109,010.11       |
| 11.3                      | What was the total cost paid through ORACLE (taken from ORACLE System check)?                  | £758.00  |                    |                   |
| 11.4                      | What is the total cost paid through ORACLE per contractor and consultant?                      | Consultant or Contractor   | Name               | Total Amount Paid |
|                           |  | Consultant   | David Adamson      | Nil               |
|                           |  | Consultant   | Will Rudd Davidson | Nil               |
|                           |  | Contractor   | A Thorburn Ltd     | Nil               |
|                           |  | Contractor   | G Grigg & Sons     | Nil               |
|                           |  | Contractor   | J&R Mills          | £758.00           |
| 11.5                      | What was the total cost paid through VISA (taken from Master Workload Schedule)?               | £108,485.00 up to 30 June 2012   |                    |                   |
| 11.6                      | What was the total cost paid through ORACLE (taken from Master Workload Schedule)?             | £758.00 up to 30 June 2012   |                    |                   |
| 11.7                      | Are there any comments or recommendations to make to CEC regarding the account reconciliation? | Check assignments of payments to A Thorburn and J&R Mill as no reference to these companies and associated works within the files. |                    |                   |

|                                 |  |
|---------------------------------|--|
| <b>12. Next Steps / Actions</b> |  |
| 12.1                            | Pass information pack to CEC for billing and further action. |



## 13. Additional Comments

13.1

Full case history to mid 2011 set out within the Deloitte Project Power report.

In summary, the works comprised of repair works to mutual and wall head chimneys, and renewal of felt to the top surface of the mansard roof. Following erection of the scaffold (which commenced on 20 July 2009) the scope was revised following an inspection by the CA on or around the 25 September 2009. Owners challenged the revised scope and had this backed up with two independent structural engineers reports. Although this resulted in the implemented scope of works being partially reduced, it was not to the lessor extent suggested by the structural engineers.

The revised scope was for repair and render, which included cut back to the face of the stone to the two front wall head chimneys. The extent of the cutting back was however questioned by one of the owners engineers, believing it was excessive and compromised the structural integrity of the stacks.

Post completion, Will Rudd Davidson were appointed by CEC to undertake a desk top exercise on the structural integrity of the stacks. Subsequently WRD have been appointed, as of 22 January 2014, to project manage the rebuilding of the two front wall head chimneys. In light of this, it is considered that any works associated with these stacks should be omitted from the final account, including adjustment to the project prelims.

The revised scope of works also included repointing to the rear elevation. CEC were to include for this in a further notice, but this was never issued. The owners were aware of the additional works and were in agreement to it being incorporated as part of current project, and were in agreement to the proposed wording of the additional notice. This is evidenced in correspondence from [REDACTED] the stair representative.

In conjunction with the felt works the CA instructed for the cupola to be removed, to allow for correct felt detailing, and for the float glass to be replaced with Georgian wired (no formal instruction on file).

In relation to the rear elevation works and cupola, the Resolution Complaints Panel Submission dated 8 May 2012 proposes:

1. Costs associated with the rear elevation be omitted from the statutory notices, but billed to the owners separately (Deloitte disagree hat owners should be billed for this work as it is not covered by the Notices)
2. Costs associated with cupola be omitted and not recovered.

The works commenced on 20/07/2009 for 26-30 weeks. PC was achieved on 17/06/10, between 16-20 after the original forecast completion date. No revised programme or extension of time certificates are on file.

In light of all of the above facts, it is considered that the original project programme was sufficient for final scope of works to have been completed in, based on the omission of the rear elevation works and any works to the two front wall head chimneys.

| 14. Statutory Notice - Has the Notice been served and is it valid?:                                |  |
|--|--|
| 14.1 Are there copies on the file of all section 24 Notices served on the property?                | Yes  |
| 14.2 Do all section 24 Notices have a corresponding section 26 Notice (except emergency Notices)?  | No. Section 26 Notice for 07/02777/24_R is not on file.  |
| 14.3 Has any work been undertaken under an emergency Notice which is not of an emergency nature?   | No   |
| 14.4 Has work been undertaken which is not covered by any of the Notices?                          | <p>The following works contained within the Final Account are considered to fall outside the scope of the Statutory Notices:</p> <p><u>Omit the following chimney works which are assumed to be associated with the front wall head chimneys which were subsequently rebuilt:</u></p> <p>C1 - Omit 2 5nr from quantity of chimney cans - £15.13<br/> C2 - Omit 12nr from chimney cans to match C1 - £198.00<br/> C11 - Omit 1.5m from works to chimney copes - £43.43<br/> C13 - Omit 5.5m from works to stone copes - £239.25<br/> C15 - Omit 2.5m from works to stone two tier copes - £167.50<br/> C21 - Omit 4m from works to remove and lay aside clay flue liners - £20.00<br/> C22 - Omit 2m from works to build in existing clay flue liners - £30 00<br/> C23 - Omit 2m from works to dispose of existing clay flue liners and build in new clay - £89.00<br/> C35 - Omit 11nr from works to test flues - £385.00<br/> C39 - Omit 6m for rubble walling works - £660.00<br/> C57 - Non-recovery of all 27m2 of stonework brushing - £405.00<br/> C59 - Omit 8m2 for cutting back decayed, defective masonry - £200.00<br/> C69 - Omit 30m2 for repointing works - £825.00<br/> C93 - Omit 2.nr from quoin stone works - £464.63<br/> C98 - Omit 0.5m2 from works to supply natural stone; Dunhouse Buff - £937 50<br/> E1 - Omit 2.5 from works to provide new concrete chimney copes - £585.95<br/> M48 - Omit all 13m for works to fix stainless steel angle beads - £37.70<br/> Sub-total of the above works = £5,303.09<br/> Add 17.07% Uplift = £905.24<br/> Variation - Scaffold delay to front wall chimney - £523.20<br/> Variation - Standard render - £420 00<br/> Variation - Cut back stone to wall head chimneys - £2,030.40<br/> Variation - Core cutting wall head chimney - £135.00<br/> <b>Total = £9,316.93</b></p> <p><u>Omit the following works to the rear elevation and cupola as these works are not covered by the Statutory Notices:</u></p> <p>C69 - Omit 101m2 from works to repoint stone with cement-lime mortar - £2,777.50<br/> C71 - Omit all 14m2 of works to repoint stone with hydrated lime putty - £385.00<br/> H68 - Omit all 2nr works to strip out crown pieces to ridges and replace with lead - £58.30<br/> L20 - Omit all 18m2 of works to Georgian wired glazing and timber rebates - £900.00<br/> L30 - Omit all 45m of works to install flashband to timber and glass - £450 00<br/> Sub-total of the above works = £4,570.80<br/> Add 17.07 indices uplift = £780.24<br/> Variation - DCS Drainage - £82.50<br/> Variation - Linseed oil and mastic pointing - £105.00<br/> Variation - New timber half cills - £120.00<br/> Variation - New gas cowl - £80.00<br/> Variation - New elephant feet cowls - £420.00<br/> <b>Total = £6,158.53</b></p> <p>In addition to the above, works to R111 - cleaning and testing soil and waste pipes (inc 17.07% uplift) = £337.16</p> <p><b>Total value of all works outside the scope of the Notices = £15,812.62</b></p> |
| 14.5 Is there any evidence that one or more of the owners could be considered a vulnerable person? | No   |

| 15. Cost - Are the costs incurred reasonable?: |  |  |
|--|--|--|
| 15.1   | Has an arithmetical check of the Final Account been completed?   | Yes. Errors were identified in the application of the A38 scaffold clause. However a benchmark assessment has been carried out and deductions have been made accordingly.  |
| 15.2   | Has a sense check of the quantities in the Final Account been completed?                                     | Yes  |
| 15.3   | Has a rates check (spot check 10%) been completed, if non-framework has a benchmarking comparison been made? | Yes  |
| 15.4   | Has the Final Account been broken down per Notice?   | <b>Yes / No</b>  |
|  |  | <b>If so, have they been verified?</b>   |
|  |  | No   |
|  |  | David Adamson have not apportioned the works to the Notices.<br><br>It is therefore recommended that CEC accept Deloitte's apportionment of costs per Notice, this is on the understanding that the accuracy of this exercise cannot be fully verified.  |
| 15.5   | Has the correct inflationary uplift indices been applied?  | Yes. 17.07%  |
| 15.6   | Is there evidence of any loss and expense claims?  | <b>Yes / No</b>  |
|  |  | <b>If so, have they been verified?</b>   |
|  |  | No   |
|  |  | n/a  |
| 15.7   | Have LADs been applied?  | <b>Yes / No</b>  |
|  |  | <b>Details</b>   |
|  |  | No   |
|  |  | n/a  |
| 15.8   | How have variations been priced?   | Unknown  |
| 15.9   | Are the variations clearly shown in the Final Account?   | Yes  |
| 15.10  | Have the A37 / A38 scaffold clauses been used?   | <b>Yes / No</b>  |
|  |  | <b>Has this resulted in a significant increase in cost?</b>  |
|  |  | Yes  |
|  |  | <p>The Final Account includes various scaffold items that are not considered recoverable. It is evident on the project that scaffold has been erected to facilitate works that are considered to fall outside the scope of the Notices. On this basis the following scaffold items should not be recovered from owners:</p> <p>A7 - closed/double boarding of access/working platforms - £2,464.00<br/> A18 - Scaffold to cupola - £765.00<br/> A20 Omit 116m2 of scaffold (0-12.2m high) on basis that original tender allowed for 451m2 and the additional scaffold is assumed to be for works to the rear elevation that falls outside the scope of the Notices - £1,624.00<br/> A22 - Omit all 117m boarding as assumed to be to scaffold to rear elevation - £1,462.50<br/> A24 - Omit 1nr 4 vent chimney scaffold (outside scope) - £600.00<br/> A25 - Omit 1nr 8 vent chimney scaffold (outside scope) - £800.00<br/> Sub total = £7,715.50<br/> Add 17.07% indices uplift = £1,317.04<br/> Total = £9,032.54</p> <p>In addition to the above, the A38 scaffold clause has been used and this has resulted in significant increases in cost.</p> <p><u>Deloitte Benchmark</u><br/> The following calculation is based on the scaffold items and A38 costs contained in the Final Account minus the items already deducted above (i.e. £9,302.54):</p> <p>Total cost of applicable scaffold items in Final Account plus A38 = £33,802.99 (inc. of 17.07% uplift). The A38 portion of this amount is £19,891.13 (inc. of 17.07% uplift) which represents 59% of the total applicable scaffold costs.</p> <p>Deloitte benchmark calculation:<br/> Applicable scaffold measurement taken from Final Account = 451m2 x £20 benchmark rate = £9,020.00<br/> Add 1nr 4 vent wallhead chimney scaffold - £702.42 (inc. of 17.07% uplift)<br/> Add 1nr 8 vent wallhead chimney scaffold - £936.56 (inc. of 17.07% uplift)<br/> Add 4nr 8 vent centre/mutual chimney scaffold - £5,151.08 (inc. of 17.07% uplift)<br/> Sub-total = £15,810.06<br/> +20% = £3,162.01<br/> Total = £18,972.07</p> <p>Therefore the scaffold costs for this project are deemed to be unreasonable and the amount of £14,830.92 (£33,802.99 - £18,972.07) should not be recovered from the owners. This adjustment to the scaffold costs should be allocated as follows:</p> <p>The total adjustment to scaffold costs is therefore £14,830.92 + £9,032.54 = £23,863.46</p> |



|       |  |   |                       |
|-------|--|---|-----------------------|
| 15.11 | Was the lowest priced contractor appointed?  | Yes / No  | Details               |
|       |  | Yes   | Tender Selection List |
| 15.12 | What was the percentage difference between the appointed contractor and the lowest cost contractor?  | n/a   |                       |
| 15.13 | Was the initial survey and scope poor resulting in increased costs and decreased efficiency (e.g. scaffolding up for too long while stone on order)? | Yes. Two months after the scaffold was erected the scope was revisited by the Contract Administrator. The cost of works increased from circa £83,000.00 to circa £109,000 00. Overall the project overran by 16 - 20 weeks from the original programme. |                       |
| 15.14 | Have owners suffered any other financial loss?   | Yes. Costs associated with appointing their own Structural Engineers.   |                       |

| 16. Completion of Works - Were the works completed satisfactorily?: |  |  |  |
|---|--|--|--|
| 16.1  | Is there a PC certificate?                     | Yes  |  |
| 16.2  | Is there a certificate of making good defects? | Yes  |  |
| 16.3  | Is there evidence of outstanding defects?      | Yes. Snagging referenced within Deloitte Project Power report. However, the Certificate of Making Good Defects was issued after the Power report and therefore it is assumed that defects were remedied to the satisfaction of the Contract Administrator. |  |

### 17. Recommendation to Panel / Matters to consider

17.1

- (1) Recommendation to recover monies from owners against Statutory Notice 07/02777/24\_R, despite no Section 26 Notice having been issued. This is on the basis that owners received a Section 24 Notice, and had the opportunity to carry out the works themselves.
- (2) Recommendation to adjust the Final Account by -£15,812.62 for works falling outside the scope of the Notices (see 14.4)
- (3) Recommendation to adjust the Final Account by -£23,863.46 due to scaffold costs used to facilitate works falling outside the scope of the Notices and application of the A38 scaffold clause (see 15.10)
- (4) Recommendation that CEC do not recover the fee of £323.00 paid to Will Rudd Davidson in addition to the 15% administration charge on the basis that the appointment of a structural engineer is not specifically referenced in the wording of the notice. This amount is not included in the table below.
- (5) Recommend that CEC do not recover monies paid to A Thorburn Ltd (£161.97) and J&R Mills (£758.00), as there is insufficient evidence on file to enable these sums to be verified. These amounts are shown in the table below.
- (6) Recommendation that CEC accept Deloitte's apportionment of cost per Notice in the absence of a breakdown in the Final Account, this is on the understanding that the accuracy of this exercise cannot be fully verified.
- (7) Recommendation to adjust the Final Account by -£15,812.62 for works falling outside the scope of the Notices, by -£23,863.46 for unverifiable scaffold costs, by £919.97 for unverifiable Contractor costs and by 0.19 to allow equal divisibility per share. Total adjustment -£40,596.24.

| Notice  | Final Account      | Total Recovery Amount (after adjustment) | Total Non-Recovery Amount | No. of Shares | Cost per Share | Cost per Share (incl 15% admin charge) | Total to Bill     |
|---|--------------------|--|---------------------------|---------------|----------------|--|-------------------|
| 07/02777/24_R   | £44,823.92         | £44,823.92                               | £0.00                     |               |                |  | £51,547.44        |
| 07/02780/24_R   | £18,195.52         | £18,195.52                               | £0.00                     |               |                |  | £20,924.80        |
| 07/02781/24_R   | £6,314.40          | £6,314.40                                | £0.00                     |               |                |  | £7,261.56         |
| Works outside the Notice and non-recoverable scaffold costs | £30,676.00         | £0.00                                    | £30,676.00                |               |                |  |                   |
| A Thornton & J&R Mill payments                              | £919.97            | £0.00                                    | £919.97                   |               |                |  |                   |
| <b>TOTALS</b>   | <b>£109,930.08</b> | <b>£69,333.84</b>                        | <b>£40,596.24</b>         |               |                |  | <b>£79,733.80</b> |

### 18. Panel Decision

18.1

- (1) Approved.
- (2) Approved.
- (3) Approved.
- (4) Approved.
- (5) Approved.
- (6) Approved.
- (7) Approved.

|   |     |
|---|-----|
| 19. Essential Information for Billing Team  |     |
| 19.1 Copy of Property Enquiries Certificate | Yes |
| 19.2 Copy of End of Works report letter     | Yes |
| 19.3 Copy of account reconciliation         | Yes |