





Connaught

– implications for the sector



Context

- Major player in R&M/capital investment market
- Profits warning – June; Administration – Sept
- £626m wiped off value of company in 4 months
- L As, H As, health, police and other contracts
- R&M, capital investment, voids, gas, electric...
- Morgan Sindall bought 80%; Mears 8 contracts
- Outstanding – Norwich, Arun, Raglan, Southern, Town & Country HAs (mid Sept 2010)

Contracts



- Capitalisation
- Suicide bids
- Delivery and performance



Outcomes

- Sub contractors
- Morgan Sindall/Lovell; Mears
- Investigations
- Costs



Lessons

- Contingency plans
- Quality v cost
- Bid evaluation procedures
- Transfer of providers
- Termination
- Unsustainable bids



How can APSE help?

- Raising awareness
- Courses on procurement in general
- Examples of avoiding all eggs in one basket
- Contract management training courses



Phil Brennan, Principal Advisor

pbrennan@apse.org.uk

0161 772 1810

07920801014

www.apse.org.uk