



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)

6) Contracts Capitalisation • Suicide bids • Delivery and performance

Outcomes



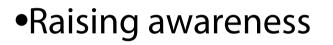
- Sub contractors
- Morgan Sindall/Lovell; Mears
- Investigations
- Costs

Lessons

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

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How can APSE help?



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



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