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**From:** Zak Maynard  
**Sent:** 09 July 2014 09:35  
**To:** Steve Blake; Simon Lawrence  
**Subject:** Fw: Grenfell Tower - price build up

FYI - not a bad position

Adds about circa £100k to margin

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**From:** Mark Harris <Markharris@harleycw.co.uk>  
**To:** Zak Maynard  
**Sent:** Wed Jul 09 07:55:40 2014  
**Subject:** RE: Grenfell Tower - price build up

Hi Zak

Thank you for your email, and for considering our position.

Whilst not an ideal situation (for either side), I am pleased to accept your proposal as set out below, and look forward to bringing commercial matters to a conclusion in the next couple of weeks. Will you be issuing a contract, or do we first require a further meeting?

Best regards

Mark Harris  
HARLEY

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**From:** Zak Maynard [ZMaynard@rydon.co.uk]  
**Sent:** 08 July 2014 14:54  
**To:** Mark Harris  
**Subject:** RE: Grenfell Tower - price build up

Hi Mark,

Hope you are enjoying your break and these emails aren't ruining it at all!!!?

Completely understand your position and, as I know you appreciate, the offers I am making are affecting our GP% so I am trying to find a happy medium

I am going to struggle with the extra £15/m2 but could we meet half way on the Face Fixed with an extra £7.50/m2 and the best I could do on the cassette is an extra £5/m2?

This would read:

**Face Fixed Saving**

Zinc Cladding Cost = £1,258,803  
3626m<sup>2</sup> @ £202.50/m<sup>2</sup> = £734,265

**Proposed Saving £524,538**

**Cassette Saving**

Zinc Cladding Cost = £1,258,803  
3626m<sup>2</sup> @ £245/m<sup>2</sup> = £888,370

**Proposed Saving £370,433**

Hope this is agreeable?

Regards

Zak Maynard, BSc (Hons)  
Commercial Manager

T [REDACTED]  
D [REDACTED]

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**From:** Mark Harris [mailto:Markharris@harleycw.co.uk]  
**Sent:** 04 July 2014 10:23  
**To:** Zak Maynard  
**Subject:** RE: Grenfell Tower - price build up

Hi Zak

I'm still away for another week, but keeping an eye on emails!

Many thanks for your offer. The issue we have (and I concede, this is of our own making), is that whilst the job is ideally profiled for Harley in respect to location, type of work, and main contractor, we have to try and return a workable margin.

Harley is obviously a much smaller company than Rydon, and as such, the margin percentages in terms of what has to be achieved in order to allow the business to function, will differ.

In simple terms, we need to try and return a GP of 10% on a typical job, after all direct project costs are deducted. The 10% is to cover all central head office costs, and hopefully, after all these costs are deducted, there will be a net profit. Obviously, like any contractor, we would be aiming to try and make buying gains through the course of a project in order to maximise profit, but being blunt, that is rather difficult in the current market with both suppliers and subby fixers generally increasing their rates.

You can see that if Grenfell contract value (with V/E) ended up at circa £2.5m, almost our entire GP would be wiped out as a consequence of our estimating error. Notwithstanding this, we remain very keen to work with Rydon again, and would ask whether there is any way to make a slight increase the sell rates proposed below by say circa £15m<sup>2</sup>? This would just provide a bit more of a breathing space for us.

I fully appreciate that this is not a Rydon problem, but once again thank you for approach in trying to resolve this issue.

Kind regards  
Mark Harris  
HARLEY

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**From:** Zak Maynard [ZMaynard@rydon.co.uk]  
**Sent:** 30 June 2014 18:16  
**To:** Mike Albiston  
**Cc:** Mark Harris  
**Subject:** RE: Grenfell Tower - price build up

Hi Mike,

Thanks for this

We have assessed your submission and other tenderers rates for the various options of cladding and it is on this basis that we have arrived at the following suggestion to assist with Harley's predicament on the previously offered savings:

**Face Fixed Saving**

Use Harley's measure, Rydon view on rate

Zinc Cladding Cost = £1,258,803  
3626m2 @ £195/m2 = £707,070

**Proposed Saving £551,733**

**Cassette Saving**

Use Harley's measure, Rydon view on rate

Zinc Cladding Cost = £1,258,803  
3626m2 @ £240/m2 = £870,240

**Proposed Saving £388,563**

Trust these are acceptable

Regards

Zak Maynard, BSc (Hons)  
Commercial Manager

T [REDACTED]  
D [REDACTED]

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