

COLONY AND PROTECTORATE OF KENYA

SESSIONAL PAPER NO.11
of 1960

CONTRACTOR-FINANCE ROAD PROJECT

In Sessional Paper No. 8 of 1959, a report was made to Council of the entering of a Contract between the Government and Messrs. Mowlems and Raymond International (U.K.) Ltd., for a contractor-financed programme of main trunk road improvements to a value of between £4 and £4 $\frac{1}{2}$ million. Work was to be carried out over four years.

2. Prices for the work in the Contract were expressed on the basis of unit rates for certain materials and particular works operations and Sessional Paper No. 8 of 1959 mentioned the inclusion of a clause in the contract whereby such rates required to be renegotiated at the end of approximately one year and adjusted if experience showed them to be operating unfairly to either party. Work to the value of approximately £1 million had been completed on this contract by August of this year and renegotiation of rates was undertaken. The Contractors were able to show that on the assumptions underlying the agreement the rates in force had operated to their disadvantage and certain rates have therefore been revised.

3. The total cost of the project had previously been put between the margins of £4 million and £4.5 million, partly because of the contingency of a revision of rates, partly to allow for movements in the price of materials and wages which are covered by a "Rise and Fall Clause" in the Contract and partly because the work had not at the time of the Sessional Paper been planned in detail. It is now possible to report that the revision of rates referred to in para. 2 above will put the cost of the project at between £4.3 million and £4.5 million.

4. For the information of the Council the roads which the Road Authority has decided should be bituminised under the project are as follows:

Makuyu - Nyeri via Fort Hall
Mariakani - Mackinnon Road
Mau Summit - Kericho - Kisumu
Mau Summit - Leseru
Kisumu - Kakamega.

The bituminisation of the road from Leseru to Kitale in the previous list has not been dropped but is being financed from normal funds.

/5. The Contractors.....

5. The Contractors expect the work on the road from Makuyu to Nyeri via Fort Hall to be completed by February 1961 and work has already started on the Kericho-Mau Summit road at the Kericho end and will move through to Leseru beyond Eldoret. Thereafter work will start on the Kericho-Kisumu-Kakemega stretch probably from Kisumu outwards. The improvements to the Mackinnon Road-Mariakani section will be fitted into the programme according to progress and the most economic disposition of resources.

Ministry of Works.

13th December, 1960.

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