



ADMINISTRATIONS

ISG ploughed £300k into specialist before collapse

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The Tempo Maidenhead project

ISG paid £300,000 to subcontractor Alucraft Systems in a last-ditch attempt to save it from administration, *Construction News* can reveal.

But the glazing and facades specialist collapsed in March nonetheless.

The £300,000 payment in March this year was meant to shore up Alucraft as it struggled under the weight of a tough trading environment, according to multiple sources close to the Tempo Maidenhead refurbishment project, where ISG had engaged Alucraft to deliver fabrication and facade design works.

Tamworth-based Alucraft was working on ISG's £42m site when it hit financial difficulty. It was forced to appoint administrators from PwC "despite considerable investment", the administrators said in a post-administration report released in May.

At the time of its collapse, Alucraft was working at many significant sites including the Maidenhead project – a 1.4-acre refurbishment project led by Legal & General (L&G), to deliver a four-storey office site, including a new cafe and reception.

Its contract included delivering the site's hybrid curtain walling, aluminium rainscreen cladding and glass louvres.

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The £300,000 was paid after ISG became aware Alucraft was struggling when progress fell away at the site. The payment was "out of cycle and advanced of the normal programme of works", one source said.

"As part of the deal, [Alucraft] had to demonstrate that the payments went to their supply chain [on the Tempo Maidenhead project]."

Alucraft's demise, along with some initial structural issues at Tempo Maidenhead, have now led to a near two-year delay at the site, though internal works are understood to be well-advanced.

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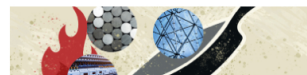
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According to L&G, the site was earmarked for completion in June 2023. Now, the sources said, completion is expected in spring 2025.

They added that the delay is set to push costs up by a couple of million pounds.

CN understands it took months to find a replacement contractor, which has lengthened the delay.

Facade subcontractor Pacegrade has now been appointed by ISG to continue the job, which will see the onsite worker number swell to around 120 as the site reaches maximum capacity.

Currently, the site is quiet, with around 40 members of staff on site.

ISG declined to comment on the story.

L&G said: "We can confirm that Alucraft Systems was a subcontractor for Tempo Maidenhead. Our main contractor has now appointed a new subcontractor for the facade, with progress picking back up ahead of completion next year."

The attempt to save Alucraft also extended beyond ISG, as Laing O'Rourke, McLaren and VolkerFitzpatrick all engaged in discussions to pull Alucraft back from the brink. They also had long-term relationships with Alucraft, and in most cases were working alongside the subcontractor onsite at the time of its collapse.

For instance, Alucraft was working on Laing O'Rourke's £505m Everton Stadium site, where it was appointed to deliver curtain walling, aluminium rainscreen and composite cladding.

A spokesperson for Laing O'Rourke told CN: "When we became aware that Alucraft was in difficulty, we did look at options to assist but were ultimately unable to help it overcome the challenges it faced." They declined to comment further.

McLaren also appointed Alucraft to work on its refurbishment project at Thirty High in London – a 27,900 square metre tower that was set for completion in 2025. McLaren was appointed to the project in October last year.

Alucraft also worked for VolkerFitzpatrick extensively, and was appointed to its £56m job at Birmingham University Station in 2021. That project was completed in January.

CN approached VolkerFitzpatrick and McLaren for comment. PwC, Alucraft's administrators, declined to comment.

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