

Record of officer decision

Decision title:	Hereford Enterprise Zone – new gas mains at the North Magazine
Date of decision:	12 June 2019
Decision maker:	Director for Economy and Place
Authority for delegated decision:	Herefordshire Council’s constitution - Scheme of Delegation Part 3 Functions Scheme, Section 7 Officer Functions - 3.7.5 operational decisions.
Ward:	Dinedor Hill
Consultation:	None. This is not a new service
Decision made:	To approve works by Morland Utilities for new gas mains at the North Magazine, and initially The Shell Store, Hereford Enterprise Zone totaling £34,792.00 + VAT
Reasons for decision:	<p>NOTE – AMENDMENT TO RECORD OF OFFICER DECISION APPROVED ON 6 JUNE 2019 TO UPDATE COST DUE TO EXPIRED AND REFRESHED QUOTE.</p> <p>Following the appointment of Barnwood as the main contractor, work on the £7.3m Shell Store project on the North Magazine started on 1 April 2019.</p> <p>Currently the nearest gas mains is located on Skylon View some 600 metres away from the Shell Store. This proposal will extend the mains up to the Shell Store whilst also serving development already underway or in negotiation on N3, N24 and N26, as well as future developments on the North Magazine.</p> <p>The Zone’s procured utilities consultants (SMS plc) have obtained and assessed a series quotes and are satisfied – their recommended option is the ‘lay only’ option from Morland costed at £34,792.00 + VAT.</p> <p>The Zone will separately procure a contractor to carry out trenching work which will accommodate both the gas mains, the water mains extension and broadband. Once the trench has been excavated, Morland will come to the site to lay the gas mains. The benefit of this option is it allows us to go out to the market separately and combine groundworks for both the water mains and gas mains, saving significant costs. The Morland quote to carry out the whole works including the civil element is £93,950.00 + VAT.</p> <p>SMS plc also received quotes for this work from CM Utilities and Total Utility Connections but both were more expensive than Morland.</p> <p>Approval for water mains works by DCWW on the same lay only basis was granted by the Director Economy and Place on 19 March 2019.</p> <p>This work is part of a tranche of utilities works for which a £1.2m budget was approved as part of Enterprise Zone Capital Interventions Phase 4 on 15 June 2018, and will be funded from future capital receipts on the HEZ site.</p>
Highlight any associated risks/finance/legal/equality considerations:	We will need to confirm full payment for the works prior to Morland carrying out any works. Not authorising these works could add significant delays to the £7.3m Shell Store development project, as well as problems as to how to

	serve that building.
Details of any alternative options considered and rejected:	Quotes for the whole works including the civil element were considered. However as already described the lay only option was preferred as it allows us to make significant savings by going out to the market directly and combining the civil elements of the gas mains and water mains extensions.
Details of any declarations of interest made:	None

Signed

DIRECTOR FOR ECONOMY AND PLACE

Date: 12 June 2019