

## Record of officer decision

<b>Decision title:</b>	Project management, quantity surveyor (cost consultancy) and employer's representative services for Hereford Enterprise Zone (North Magazine) – Increased Total Contract Sum
<b>Date of decision:</b>	31 March 2022
<b>Decision maker:</b>	Director for Economy and Environment
<b>Authority for delegated decision:</b>	A cabinet member decision taken on 15 <sup>th</sup> August 2019 (Phase 5 budget for the HEZ infrastructure project) gives the Director of Economy and Place the authority to implement interventions relating to this work. The full report and decision notice (Enterprise Zone Capital Interventions Phase 5) can be found here ( <a href="http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?Id=6182">http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?Id=6182</a> )
<b>Ward:</b>	Dinedor Hill
<b>Consultation:</b>	<p>Work falls under the Phase 5 budget for Hereford Enterprise Zone (HEZ) infrastructure decision (as above) which gives the Director of Economy and Environment (previously the Director of Economy and Place) the authority to implement the decision, as confirmed by Governance.</p> <p>Mace Limited were originally commissioned in November 2020 to provide project management, quantity surveyor (cost consultancy) and employer's representative services for works on the North Magazine at Hereford Enterprise Zone. Specified percentages (of total contract sums) were agreed with Mace Limited (via a competitive tendering process) prior to their appointment. A RoOD covering costs of up to £58,500 was subsequently signed off before the decision was implemented.</p> <p>The total contract sum for combined projects on the North Magazine has since increased substantially. This is as a result of a number of factors including securing additional funds from Marches LEP (to develop additional plots), extensions in timescales, whilst additional work/surveys have also become necessary during project delivery.</p> <p>The Commercial Services team have been consulted throughout the process to ensure the contract procedure rules are correctly followed. Further consultation has also taken place with Finance, Legal and the S151 Officer.</p>
<b>Decision made:</b>	<p>The revised total cost to deliver north magazine project management services is now quoted as £83,644.50.</p> <p>Following further consultation with the Commercial Services team, it is proposed that the amount made available for project management services on the North Magazine is therefore increased from £58,500 to £83,644.50.</p> <p>The revised contract sum/additional work is under 50% of the original</p>

	contract value and can therefore be issued as a variation, in line with the council's contract procedure rules and the Public Contract Regulations 2015. The increased costs do take the work above the £75,000 procurement threshold. However, Commercial Services have been consulted further and the required exemption has been signed off.
<b>Reasons for decision:</b>	The council has already invested significant funding in infrastructure to make the North Magazine ready for business investors to buy and build their new workplace. The additional project management services will enable this development to be seen through to its conclusion, prior to subsequent sale and development.
<b>Highlight any associated risks/finance/legal/equality considerations:</b>	Four quotations were secured via the council's procurement portal, and evaluated according to cost and quality. An exemption was subsequently signed off by Commercial and Legal Services after the total costs of the work increased above the £75,000 threshold. This increased cost can be managed within the existing HEZ budget for phase 5.
<b>Details of any alternative options considered and rejected:</b>	The possibility of trying to deliver all these services in house was considered. This set of projects is only one component of the project activity at the HEZ that needs delivery over the same time period. The HEZ team will be fully engaged in the client role for all this activity, and would not be able to provide the dedicated resource or specialist expertise required to fulfil those roles effectively, hence the reason for initially procuring this service.
<b>Details of any declarations of interest made:</b>	None

I am an officer delegated to make the decision

Signed:

Print Name: Ross Cook

Job Title: Corporate Director Economy and Environment