

Record of officer decision

Decision title:	To approve expenditure of the contingency and professional fees allocation and to award a construction contract to SC Joseph Ltd
Date of decision:	14 August 2020
Decision maker:	Assistant Director for Regulatory, Environment and Waste
Authority delegated decision:	<p>The authority for the specified officer to take this decision is set out in the cabinet report approved on the 10 August 2020.</p> <p>http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspxId=7050</p> <p>The Cabinet Decision approved</p> <p>That:</p> <p>(a) expenditure up to the value of £911,000 is approved for the development of two traveller site pitches at Bromyard and one at the Grafton site and the modernisation of 6 traveller sites across the county as detailed in Appendix 1 (Project 1)</p> <p>(b) an NEC 3 contract is awarded to SC Joseph Limited up to the value of £752,000 (inclusive of contingency) (Project 1)</p> <p>(c) expenditure up to the value of £30,000 for professional fees is approved</p> <p>(d) expenditure up to the value of £937,000 to commence and complete four pitches at the Pembridge Site (Project 2) is approved; and</p> <p>(e) the Assistant Director for Regulatory, Environment and Waste be authorised to take all operational decisions to complete project 1 and project 2</p>
Ward:	Arrow; Bircher; Bromyard Bringsty; Bromyard West; Hope End; Saxon Gate; Wormside
Consultation:	<p>Political Consultation: Consultation has taken place with the Cabinet Member for Commissioning, Procurement and Assets on several occasions and the decision was debated at a Cabinet Feeder Meeting prior to the cabinet member taking the decision.</p> <p>Officer Consultation: Consultation has taken place with the Strategic Capital Finance Manager, the Senior Solicitor for Major Projects and the Assistant Director for Regulatory, Environment and Waste Services. All are satisfied with the proposed delegation of Authority to spend</p>
Decision made:	<p>1) To delegate authority to the senior project manager to authorise spend and manage contingency budget up to the value of £33,000</p> <p>2) To delegate authority to the senior project manager to authorise spend and manage the professional fees (Property Services and Project Management Costs) of £30,000</p> <p>3) To award a construction contract to SC Joseph Limited and complete existing works being undertaken by Belfour Beatty Ltd up to the value of £719,000 (excluding the contingency value of £33,000)</p>

Budget information as set out in the decision paper:

<http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?Id=7050>

In summary:

Item	Budget
Construction Costs	£719,000 (Includes spend/commitments to date)
Contingency	£33,000
PM Costs	£10,000
Property Costs	£20,000
Total	£782,000

Reasons for decision:

- 1) To enable the senior project manager to make decisions with the construction manager around daily occurrences relating to contract Early Warning works and compensation events which may result in authorising the spend of the contingency budget.
- 2) To significantly reduce the risk of project delay due to the Council's internal procedures relating to having the ability to spend the identified budget lines relating to the project.
- 3) To enable the senior project manager to issue instruction timely around agreed spend
- 4) To enable the senior project manager to authorise timesheets for professional fees.
- 5) To formally award a construction contract to SC Joseph Limited as set out in the tender documentation.
- 6) To reduce the amount of Record of Officer decision's to enable spend which is having a negative impact on time and resources within the council

Highlight any associated risks/finance/legal/equality considerations:

- 1) There is a small risk that the tight budget controls may not be realised but this is mitigated by the project being managed through the Council's corporate senior project management structure where budget monitoring is happening throughout the life of the project.
- 2) If the council decides not to adopt this request then there is a medium chance of delay to the projects programme which may result in the Council incurring additional cost for delay under the contract terms. Delay will result due to the time taken for the sign off to spend the contingency spend for individual work packages.
- 3) Council administration resources required to complete the anticipated number of Record of Officer decisions will have a negative impact on resources so this provides opportunity to reduce the impact on the Council's resources internally.
- 4) There may be delays should the proposed contractor not be awarded the construction contract and a need arise to complete a further tender process. It is anticipated that costs will rise and the project will require more time and budget to complete the proposals.

Details of any alternative options considered and rejected:

- 1) To not adopt the recommendation thus causing a large number of internal processes to sign off individual Record of Officer Decisions for each work package.
- 2) To not award the construction contract to SC Joseph Limited and complete a new tender process for a construction contract. This is not recommended due to time delays and anticipated budget increases. It would also not be following the Council's contract procedure rules outlined during the tender process.

**Details of any
declarations
of interest made:**

None

Signed

Date: 14 August 2020

Marc Willimont
Assistant Director for Regulatory, Environment and Waste