

Record of officer decision

Decision title:	Provision of Shell Store Section 104 Foul Drain Civils Works (Updated Contract Sum)
Date of decision:	8 February 2021
Decision maker:	Director for Economy and Place
Authority for delegated decision:	<p>A cabinet member decision was taken on 5 October 2020 (decision to spend £5,432k of LEP grant funding that was allocated to further develop the Hereford Enterprise Zone).</p> <p>The full report and decision notice can be found here http://councillors.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=7214</p>
Ward:	Dinedor Hill
Consultation:	<p>Work falls within the scope of the decision to spend £5,432k LEP funds (as above) which gives the Director of Economy and Place the delegated authority to implement the decision including the procurement and commissioning of new projects in consultation with the S151 Officer (as confirmed with Governance).</p> <p>The additional work requires a revised total Contract Sum to be agreed. This will increase the total contract value from £147,546.32 to £221,000. This RoOD therefore seeks approval for the additional £73,453.68. This amount represents just under 50% of the original contract value.</p> <p>Further consultation has taken place with Commercial Services, Finance and Legal. Legal have reviewed the JCT Construction contract and confirmed that the revised Contract Sum can be agreed in accordance with clause 4.3 (Adjustment of Contract Sum), meaning that no further variation processes are required (as also confirmed by Commercial Services). There is adequate provision within the existing budget for this additional work to be covered.</p>
Decision made:	<p>Significant obstacles have been encountered upon excavation, including the discovery of an unmarked storm water drain directly over the proposed connection point and the discovery of a number of additional unmarked utility pipes. This has resulted in delays whilst parts of the project were redesigned, so that additional works to construct a new outfall manhole could take place. Excavation around unmarked utilities has required additional time and resources. A surcharge issue was also encountered at the sewer connection point which resulted in intermittent blockages and associated complications.</p> <p>The changes were as a consequence of encountering unforeseen underground drainage, underground services or as a result of flooding the civils works from the existing foul pumping station backing up. The underground obstructions were not marked on any official records, making them impossible to detect prior to commencement of works.</p> <p>The total cost for the additional works is £73,453.68. The contractor (MF Freeman Ltd) was initially appointed via open tender using the Council's procurement portal, with clause 4.3 of the signed JCT allowing the Contract Sum to be varied accordingly.</p>

Reasons for decision:	<p>Herefordshire Council required the construction of 104 foul drain civil works serving the Shell Store ahead of its official opening. The works connect the Shell Store to an existing mains foul drain off site, approximately 150m away in the Thorn Park Industrial Estate.</p> <p>The foul drainage civil works have required timely completion to avoid any additional costs and/or delays to the opening of the Shell Store.</p>
Highlight any associated risks/finance/legal/equality considerations:	<p>The tender opportunity was advertised by open tender via the Council's procurement portal, and evaluated according to cost and quality.</p>
Details of any alternative options considered and rejected:	<p>There are no viable alternative options. Detailed design work was undertaken with Welsh Water to find the best means of connecting the Shell Store to the foul drainage network. Foul drainage works must be in place to service the new building accordingly.</p>
Details of any declarations of interest made:	<p>None</p>

Signed

Date 8 February 2021

Richard Ball
 Director for Economy & Place