

Record of operational decision

Decision title:	Decision to enter into a contract and authorise payments of up to £525,000 of Section 106 monies for “Transport and Highways” to AECOM Infrastructure & Environment UK Limited (AECOM) in professional fees to develop, procure and deliver S106 agreements as identified in the Cabinet decision dated 25 November 2021
Date of decision:	24 November 2022
Decision maker:	Director of Resources and Assurance
Authority for delegated decision:	<p>Economy and Environment scheme of delegation line 71 Corporate Centre Directorate Scheme of Delegation line 159</p> <p>Cabinet decision dated 25 November 2021 - Section 106 Portfolio of Works - Delivery Proposals.</p> <p>Cabinet Report 25 November 2021 - Link</p>
Ward:	All Wards
Consultation:	<p>A report titled Section 106 Portfolio of works – Delivery proposals was presented to Cabinet on the 25th of November 2021. Political group consultation had been undertaken to support and inform the Cabinet decision.</p> <p>Further briefings to Ward Councillors and Parish Clerks took place 21st & 26th September and 12th & 18th October 2022 respectively.</p>
Decision made:	<p>In accordance with the Cabinet decision dated 25 November 2021 AECOM are to be procured externally via the Midlands Highways Alliance Professional Services Partnership 3 (PSP3) Framework.</p> <p>Decision to enter into a contract and authorise payments of up to £525,000 of Section 106 monies for “Transport and Highways” to AECOM in professional fees to develop, procure and deliver S106 agreements as identified in the Cabinet decision dated 25 November 2021.</p> <p>Payments will be charged to the cost code that is associated with each of the Section 106 agreements for Transport and Highways. For each of the Section 106 agreements a maximum of 14% will be charged to professional fees for AECOM to a maximum of £525,000 as per the tender submission 11th October 2022.</p> <p>For contract monitoring AECOM will be required to provide monthly reporting on the progress on Section 106 agreements including the charge rates and hours, in accordance with the NEC4 Professional Services Contract (PSC).</p> <p>In addition to professional fees an allowance of 5% is required to cover Herefordshire Council’s project resource fees and administrative costs.</p>
Reasons for decision:	In accordance with the Cabinet decision dated 25 November 2021 AECOM are to be procured externally via the Midlands Highways Alliance Professional Services Partnership 3 (PSP3) Framework. AECOM are to develop,

	<p>procure and deliver S106 projects in accordance with the relevant legal agreements.</p> <p>The Midlands Highways Alliance PSP3 Framework aims ‘to help highway authorities improve highway services in the Midlands area and help them deliver efficiency savings’ and includes all services required for the execution of the design and supervision of highway, civil and municipal engineering works.</p> <p>The professional fees of £525,000 will not utilise the full Section 106 contributions, but will enable the development, procurement and delivery of the £3.85m Transport and Highways S106 projects in accordance with the Cabinet decision dated 25 November 2021.</p> <p>The Midlands Highways Alliance PSP3 Framework is in line with Herefordshire Council’s Contract Procurement Rules. Assurance monitoring has been provided by Herefordshire Councils Commercial Services and Legal Teams.</p> <p>Responsibility for monitoring the project and managing expenditure within the total spend budget is to be with the Senior Project Manager.</p>
<p>Equality Considerations</p>	<p>Equality duty</p> <p>Under section 149 of the Equality Act 2010, the ‘general duty’ on public authorities is set out as follows:</p> <p>A public authority must, in the exercise of its functions, have due regard to the need to -</p> <ul style="list-style-type: none"> a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act; b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. <p>The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying ‘due regard’ in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.</p> <p>The design and delivery of the Section 106 projects will consider needs in accordance with the Equality Act 2010.</p>
<p>Highlight any associated risks/finance/legal/considerations:</p>	<p>The delivery of Section 106 projects must be in accordance with the Section 106 legal agreements.</p> <p>The costs of the contract is time charged. Project management will be required to monitor and manage costs to avoid overspend.</p> <p>Projects may be subject to statutory obligations and consultation.</p> <p>Unforeseen events/costs will need to be managed appropriately.</p> <p>Failure to commit S106 projects in the time frame set by the Section 106 agreements may result in the contributions being refunded to the developers.</p> <p>The available Section 106 contributions may not be sufficient to deliver the desired project and additional funding may be required to progress individual projects. This will be reviewed on a case by case basis.</p>

<p>Details of any alternative options considered and rejected:</p>	<p>Not to approve the decision to enter into a contract to appoint AECOM to provide professional services to deliver Section 106 projects, in line with Cabinet decision dated 25 November 2021. This option is not recommended.</p> <p>The professional services consultant AECOM has been identified following the cabinet decision approving the procurement via the Midlands Highways Alliance Professional Services Partnership 3 (PSP3) Framework.</p> <p>Not to approve would lead to delays in delivery of Section 106 projects.</p> <p>Herefordshire Council do not have the internal resources to deliver these projects.</p> <p>There is now an urgency to deliver schemes for communities.</p>
<p>Details of any declarations of interest made:</p>	<p>None declared.</p>

Signed

Date: 24 November 2022

Print Name: Andrew Lovegrove
 Director of Resources & Assurance