

Record of operational decision

Decision title:	Decision to appoint Speller Metcalfe Ltd as Construction Partner relating to the redevelopment of the Library and Learning Resource Centre at Maylord Orchards									
Date of decision:	13 April 2023									
Decision maker:	Corporate Director of Economy and Environment / Corporate Director of Community Wellbeing									
Authority for delegated decision:	<p>To approve the acceptance of the Stronger Towns £3m funding, and to approve the full expenditure of £3.5m related to the completion of the design stage of the project, the appointment of a Design and Build contractor following procurement, and the implementation of the library and learning resource centre project.</p> <p>Issue details - Spend the accepted Stronger Towns Funding for Library and Learning Resource Centre - Herefordshire Council</p> <ul style="list-style-type: none"> a) To accept the £3m (capital) of Stronger Towns funding offered by government, b) To approve the full £3.5m of expenditure required to complete the design stage and implementation of the library and learning resource centre, c) Authority is delegated to the Corporate Director for Economy and Environment, in consultation with the Deputy Section 151 Officer and the Cabinet Member Commissioning, Procurement and Assets, to make all operational decisions required to complete the design stage of the project, appoint a Design and Build contractor following the conclusion of the procurement process, and to implement the delivery of the library and learning resource centre project. 									
Ward:	Central									
Consultation:	Consultation has taken place with; Legal, Commercial and Finance Services, Communication, Director of Community Wellbeing, the Director of Economy and Environment, the Cabinet Member for Commissioning, Procurement and Assets and the Council's Deputy Section 151 Officer.									
Decision made:	<p>To appoint and award Speller Metcalf Ltd as the construction partner to take the redevelopment of the Library at Maylord Orchards project RIBA Stage 4, 5, 6 following a design and build process under a JCT fixed price contract up to the value of £2,652,000.00(Including design costs).</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 70%;">Fixed Priced Construction Costs inclusive of contractor contingency</td> <td style="text-align: right;">£2,652,000.00</td> </tr> <tr> <td>Project/Design Costs</td> <td style="text-align: right;">£724,117.56</td> </tr> <tr> <td>Herefordshire Council Contingency to cover any works not included within the construction contract currently.</td> <td style="text-align: right;">£79,386.44</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">£3,455,504.00</td> </tr> </table> <p>Under the JCT Contract is likely will we need to make cost decision in two to three working days and therefore operational decisions should be delegated up to the value of £200,000.00 to the Director of Economy in</p>		Fixed Priced Construction Costs inclusive of contractor contingency	£2,652,000.00	Project/Design Costs	£724,117.56	Herefordshire Council Contingency to cover any works not included within the construction contract currently.	£79,386.44	TOTAL	£3,455,504.00
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	consultation with the Service Director Community and Wellbeing, to avoid Herefordshire Council facing additional cost penalties.
Reasons for decision:	<p>The redevelopment of Maylord Orchards will create a new library and learning resource centre, and is a key project in the Hereford Town Investment Plan Towns Fund – Herefordshire Council. The project will establish a modern Library Service and Learning Resource Centre at the heart of the city, re-purposing a key area of Hereford in creating new reasons for people to visit and spend time and money across the centre as a whole. The Learning Resource Centre will provide facilities to enable local people to access the support they need to develop their skills, and access new employment opportunities such as the council’s Adults and Community Learning Service.</p> <p>Subject to this decision, the Council intends to procure in accordance with the Contract Procedure Rules to appoint a construction partner to work alongside the Project Management and Design team to complete RIBA stage 4 through to the implementation and handover of the building (RIBA Stages 5/6).</p>
Highlight any associated risks/finance/legal/equality considerations:	<p>a) 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 PMO processes – cost and risk is reviewed through monthly Highlight reports to SRO and in Project Board, they can be escalated through the delivery boards to Executive Programme Board as necessary.</p> <p>b) If the council decides not to take this decision then there is a high chance of delay to the project’s programme which may result in the council incurring additional cost and reputational damage as a learning resource centre and new library location would not be delivered as originally proposed.</p> <p>c) There is a risk that Council administrative resources required to complete the anticipated number of Record of Officer decisions and the time it takes will have a negative impact on council resources and the programme of this project.</p>
Details of any alternative options considered and rejected:	The Council could choose to not appoint the construction contract to Speller Metcalfe Ltd. However, this would mean we would be unable to progress the project past RIBA Stage 4 and therefore a significant delay will incur to the project and its delivery timeline. Failure to meet the required timescales or information requirements for these funds would prevent the proposed project from progressing.
Details of any declarations of interest made:	None.

Signed..... Date: