

## Record of operational decision

<b>Decision title:</b>	Professional Services Support for the Hereford Levelling Up Funding (LUF) Programme.
<b>Date of decision:</b>	15th August 2023
<b>Decision maker:</b>	Corporate Director for Economy and Environment
<b>Authority for delegated decision:</b>	<p>On 12<sup>th</sup> January 2023 Cabinet approved the following:</p> <p>To delegate to the Corporate Director for Economy and Environment, in consultation with the Cabinet Member for Environment and Economy, the Cabinet Member for Infrastructure and Highways, and the Section 151 Officer, all operational decisions in implementing the funding in accordance with the bids to government.</p> <p>Full details of the decision taken can be seen at the following link:</p> <p><a href="#">Decision - To Accept and Spend Any Approved Levelling Up Fund Allocation to Herefordshire - Herefordshire Council</a></p> <p>On 15<sup>th</sup> July 2021 Cabinet approved the following decision:</p> <p>To approve the development and delivery of a walking and cycling improvement scheme on the A465 Aylestone Hill following the allocation of £120k of Active Travel Fund (ATF) from the Department for Transport (DfT). The Director for Economy and Place be authorised to take all operational decisions necessary to progress the scheme in consultation with the S151 officer.</p> <p>Full details of the decision taken can be seen at the following link:</p> <p><a href="https://hc-modgov.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8013">https://hc-modgov.herefordshire.gov.uk/ieDecisionDetails.aspx?ID=8013</a></p>
<b>Ward:</b>	Aylestone Hill; Bobblestock; Central; College; Eign Hill; Greyfriars; Hinton and Hunderton; King Acre; Newton; Racecourse; Redhill; Saxon Gate; Tupsley; Victoria Park; Whitecross; Widemarsh.
<b>Consultation:</b>	Consultation has taken place with Finance, Legal, Commercial Services and Communications.
<b>Decision made:</b>	To award a contract to AECOM Limited to provide professional services support for the design and delivery of the LUF programme at a forecast cost of £765,539 and to assign £154,000 of the LUF Programme Contingency and Risk allowance to this contract.
<b>Reasons for decision:</b>	Herefordshire Council has been successful in securing £19,990,449 funding from the Department for Levelling Up. LUF funding has been matched against £4,478,000 Council, £700,000 Marches LEP and £120,000 Active Travel Funds (ATF), to deliver the 'Hereford Transport Package', with a total value of £25,288,449. The LUF funding has been adopted into the Council's capital programme, as per above decision link. The package includes funding for a number of Active Travel Measure (ATM) improvements across Hereford City. AECOM will pick up the remaining design, consultation, project management and other relevant work to ensure that each scheme is designed and delivered within the required DfT timescales.

	<p>The Levelling Up Funds (LUF) package includes budget lines for each of the proposed ATM improvements, where budget will be drawn from to implement the decision.</p> <p>Note that ATF funds (as per above decision link) will also be drawn down for work in relation to Aylestone Hill.</p>
<b>Equality Considerations</b>	There are no equality issues to consider in the decision.
<b>Highlight any associated risks/finance/legal/equality considerations:</b>	<p>The Council has signed up to a memorandum of Understanding (MoU) with the Department For Transport which commits to delivering and spending the Levelling Up funds prior to end of March 2025.</p> <p>Project delivery is overseen by the LUF Project Board which reports into the Sustainable Transport and Place Making Delivery Board.</p> <p>The LUF procurement strategy report agreed by the project board includes an options analysis for professional services procurement, alongside an additional benchmarking and rates comparison exercise. This strategy was agreed by the Director of E&amp;E, in consultation with the Leader, Portfolio Holder and S151 officer.</p> <p>In line with this strategy, AECOM have been procured via a direct award through The Midland Highways Alliance framework contract. The rates have also been benchmarked against other similar providers to ensure a value for money approach.</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 Midlands Highways Alliance PSP3 Framework is a compliantly let framework in line with Herefordshire Council’s Contract Procurement Rules. Assurance monitoring has been provided by Herefordshire Councils Commercial Services and Legal Teams through their involvement with the development of the procurement strategy, membership of the project board and development of the contract documentation.</p> <p>Responsibility for monitoring the project and managing expenditure within the total spend budget is to be with the Programme Manager reporting into the LUF Project Board.</p> <p>For contract monitoring AECOM will be required to provide monthly reporting on project progress, fee forecasts (including the hours charged and rates) in accordance with the NEC4 Professional Services Contract (PSC).</p> <p>The estimated costs to provide these services are £765,539, which is based on an initial forecast of the level of support required for the scope and information known at this time. The exact detail of requirements may vary as the projects develop and therefore on this basis a contingency of £154,000 is to be allocated. Therefore, the total amount required to implement this decision is £919,539.</p> <p>The LUF programme includes an uncommitted Design and Supervision fee allowance of £1,009,010 this decision will commit £765,539 leaving a remaining balance of £243,471 uncommitted.</p> <p>In addition the LUF Programme includes a currently uncommitted contingency and risk allowance of £1,795,527. This decision will commit £154,000 of the risk and contingency allowance to this contract.</p>

<b>Details of any alternative options considered and rejected:</b>	The additional support and expertise is required to ensure that each of the projects are designed and delivered within the agreed funding timescales. It would not be possible to deliver these schemes without this level of design and supervision expertise.
<b>Details of any declarations of interest made:</b>	None

Signed..... Date: 15<sup>th</sup> August 2023

Print Name: Ross Cook  
 Job Title: Corporate Director Economy and Environment