

Record of officer decision

Decision title:	North Magazine Residual Infrastructure Works, Hereford Enterprise Zone
Date of decision:	15 December 2023
Decision maker:	Director for Economy and Environment
Authority for delegated decision:	<p>Funding for this work will be covered under the following decisions:</p> <p>A cabinet member decision was taken on 15 August 2019 (Phase 5 budget for the HEZ infrastructure project) which delegates authority to the Director of Economy and Place to implement interventions relating to this work. The full report and decision notice (Enterprise Zone Capital Interventions Phase 5) can be found here:</p> <p>Decision - Enterprise Zone Capital Interventions Phase 5 - Herefordshire Council</p> <p>And</p> <p>On 12 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>Decision - To Accept and Spend Any Approved Levelling Up Fund Allocation to Herefordshire - Herefordshire Council</p>
Ward:	Dinedor Hill
Consultation:	<p>The majority of work fall under the Phase 5 budget for Hereford Enterprise Zone (HEZ) infrastructure decision (as above) which gives the Director of Economy and Environment (previously the Director of Economy and Place) the authority to implement the decision, as confirmed by Governance.</p> <p>The works also include a road/cycling safety scheme at the greenway crossing in Thorn Business Park costed at £9,349.34. This will be paid for out of the Leveling Up Fund (LUF). Consultation has taken place with Director for Environment and Transport as the lead Officer for LUF.</p> <p>Consultation has taken place with Finance, Legal, Commercial Services and Communications.</p> <p>The Director for Economy and Growth has also been consulted and</p>

	<p>taken into consideration comments/input from Finance, Legal and Commercial Services. The urgency in awarding the contract has been highlighted, ensuring funds are spent in line with LEP timescales (i.e. – end of March 2024), thus avoiding risk of clawback.</p>
<p>Decision made:</p>	<p>To award a contract to Golden Valley Construction for the construction of the North Magazine residual infrastructure works.</p> <p>The total value of the contract for the delivery of the works will be £302,278.25</p>
<p>Reasons for decision:</p>	<p>Significant infrastructure works on the North Magazine were undertaken in 2021/22 following the master planning of the site to break the site up into 12 plots in preparation for sale and development. This included construction of internal access roads, installation of utilities and drainage systems and the raising of a number of the development plots in order to meet flood management requirements.</p> <p>The council is now ready to commence the final construction phase at the North Magazine following a successful tender exercise. Works will include the raising of Plots 4, 8 and 10 and the removal and crushing of a concrete slab on Plot 7, making the plots development ready. The works will also include installation of a vehicle access barrier, an information board sign and</p> <p>The works also include a road safety scheme at the greenway crossing in Thorn Business Park costed at £9,349.34 which will be paid for out of the Leveling Up Fund. The remainder of the project will be funded out of Phase 5 of the Enterprise Zone Capital Interventions.</p> <p>Golden Valley Construction Limited been appointed following an open tender exercise which was carried out via the pro contract system, and evaluated against both cost and quality. The council's contract procedure rules have been followed with support from the commercial team.</p>
<p>Highlight any associated risks/finance/legal/equality considerations:</p>	<p>A contingency sum of £13,167.58 has been built into the total £302,278.25 figure to ensure that the project has adequate funds to cover all eventualities detailed in the risk register. The risk register will be regularly monitored, reviewed and updated as work progresses to ensure that activities are delivered as planned.</p>
<p>Details of any alternative options considered and rejected:</p>	<p>The possibility of not carrying out the work has been considered. However, the sale of four of the twelve North Magazine plots depends on these works being carried out. The plots need to be development ready before it can be sold to identified businesses, which in turn will help the Enterprise Zone to achieve its economic development and employment objectives.</p> <p>The alternative would be not to carry out these remaining works and the Council could sell the plots of land for a lower value and hence capital receipt than would be achieved for development ready plots.</p>

	Note that the majority of spend also forms part of the LEP match funding requirements. Failure to spend the funding by the end of March 2024 is likely to result in clawback.
Details of any declarations of interest made:	None

Signed..... Date: