



## **DECISION OF DIRECTOR OF DEVELOPMENT AND ENVIRONMENT**

**DECISION NO. 16/17 DE 13**

**SUBJECT:**

Direct appointment of Hydrock Consultants Ltd to undertake work on the utilities strategy for the NSC Landholding of the Parklands Villages development.

**Background:**

The highways and transport department are running two interrelated projects:

- 1) Design and construction of the North South Spine Road (NSSR) which transverses the proposed Parklands Development
- 2) Outline planning permission for the NSC Land holdings, which will form a significant section of the proposed Parklands Development.

**Development Wide Utilities Strategy:**

A development wide utilities strategy is required in order to develop the proposals for the NSC Landholding. As the NSSR is the most practical route for utilities to access the NSC Landholding, developing the strategy is required in order to progress both projects, including the design of the NSSR.

**Utilities Statements:**

The planning applications required for both schemes also need to make direct reference to each other, and as such are being prepared as a joint exercise.

For each planning application it is necessary to have a separate utilities statement prepared. Both assessments will be closely linked but will focus on the separate requirements of each planning application; it is therefore necessary to prepare both statements in unison. The statements in each case will be based upon the development wide utility strategy.

**Diversions works:**

In order to undertake preliminary works for the construction of the NSSR this summer, it will be necessary to arrange and co-ordinate diversions of utilities. This includes diversions on adjacent developer land belonging to HCA / St Modwens.

**Selection of Hydrock to undertake the above:**

The undertaking of the above works requires joint working with HCA / St Modwen due to the integral nature of both developments.

St Modwen / HCA have engaged an inset provider to undertake the above tasks on their behalf however, the performance of that provider has been less than satisfactory and has caused significant delays to the above named NSC projects.

Hydrock Consultants Ltd have been employed by HCA / St Modwen to progress negotiations with the inset provider, however due to the cross-over of works this has approach is limited. Were Hydrock to have the contractual capacity to approach utility providers on NSC's behalf this would help to unlock matters on behalf of both developers (HCA / St Modwen and NSC).

Hydrock already have a significant understanding of the site (due to other HCA / St Modwen commissions) and therefore are able to reduce fees and to act expediently. Whilst another consultant could feasibly undertake the works this would add an additional layer of negotiation and could potentially impact upon both quality and efficiency.

In addition, timescales are now sufficiently impacted as to require urgent attention and therefore a formal tender process would further delay impact upon programme.

Hydrock have prepared a fee estimate for completing the above work. This has been assessed as being a reasonable fee representing good value for money.

It should be noted that there is the potential for changes to the above work due to the complex nature of the planning and consultation processes. It may therefore be necessary to extend Hydrock's commission by way of change control procedures.

The final value of work done, may therefore be more than that detailed in Hydrock fee proposal.

**DECISION:**

To appoint Hydrock Consultants Ltd to undertake the above outlined works for the NSC landholdings of the Parklands development and NSSR.

To extend the commission of Hydrock Consultants Ltd by a change control process(es) if required and reasonable to do so (subject to valuation of any proposed fee increases by the project engineer).

**Reasons:**

Direct appointment of Hydrock Consultants Ltd is the most cost effective and expedient option for having this work undertaken.

**Other Alternatives Considered:**

Consideration was given to seeking alternative consultants but was discounted as it is important the work is completed expediently and in line with the ongoing work for HCA / St Modwen.

**Risk Assessment:**

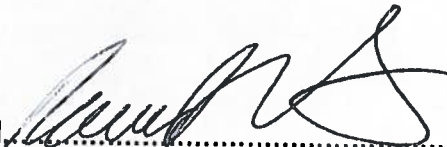
This approach minimises risks of delay, duplication and additional costs.

**Financial Implications:**

This work will cost £27,000.00 (excluding VAT). Whilst the Executive has approved this project in principle, the Council has only approved a budget of £1.2m, which has already been spent. Further funding is anticipated from the LEP, but this is conditional on planning approvals and land agreements, which are now not expected until later this year. Spend beyond the £1.2m is, therefore "at risk" and a further approval is being sought to cover expenditure between now and when the funding is confirmed. That approval will be made in the knowledge that this project is the first call on the s106 contributions and, therefore, in the unlikely event that the LEP funding is not forthcoming, the project would be funded from s106 contributions, although this would have impacts on other projects. The decision being made here is being made in advance of the wider approval. In the extremely unlikely event that that approval is not forthcoming, funding for this work would have to be found from a search of other capital and revenue budgets, reserves and contingencies.

**Implications for Future Years:**

The work will be undertaken within this financial year and there are no immediate further costs

Signed  ..... Director of Development and Environment

Dated 19/5/16 .....

Signed  ..... Head of Financial Management

Dated 18.5.16 .....

