

PORTFOLIO HOLDER DECISION RECORD SHEET

Name of decision maker:	Cllr Margaret Griffiths Portfolio Holder for Housing
Portfolio:	Housing
Date of Portfolio Holder Decision:	

Title of Decision:	To approve the relocation of the substation at 185 London Road, Apsley, as part of the redevelopment of 175-189 London Road, Apsley
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If Part II, reason:	
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Decision made and reasons:	
To approve the relocation of the substation at 185 London Road, Apsley, as part of the redevelopment of 175-189 London Road, Apsley. This includes the payment to UK Power Networks to divert the power to the new substation building.	
Reports considered: UK Power Networks Quotation 401304004/170902 (as attached)	
Officers/Councillors/Ward Councillors/Stakeholders Consulted: Corporate Director for Housing and Regeneration – Mark Gaynor Assistant Director Housing – Elliott Brooks Group Manager Strategic Housing – Julia Hedger Group Manager Commissioning, Procurement & Compliance – Ben Hosier Group Manager Legal Governance – Mark Brookes	
Monitoring Officer comments: The award of this contract to UK Power Networks to relocate the substation is in compliance with the Council’s Procurement Standing Orders for the reasons given in the report.	
Deputy S151 Officer comments: Sufficient budget has been approved for these works.	
Implications:	Acceptance of this quotation will enable the legal agreement to be put into place to move the substation. It is estimated that it will take 4-6 months to move the substation from the date that the quotation is accepted.
Risk:	If this quotation is not accepted then the development would not be able to commence as planned.
Value for Money:	The quotation provided by UK Power Networks is non-contestable as it is a statutory requirement that these works are undertaken by UK Power Networks.

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Options Considered and reasons for rejection:

There are no other bodies that can undertake this work, and the fee quotation for the relocation of the cables for the substation by UK Power Networks is non-contestable. If the Council does not proceed with the relocation of the substation at London Road then the proposed redevelopment cannot take place as planned.

Portfolio Holders Signature:

Date:

Details of any interests declared and any dispensations given by the Standards Committee:

For Member Support Officer use only

Date Decision Record Sheet received from portfolio holder:

Date Decision Published:29/08/13

Decision No:PH036/13

Date of Expiry of Call-In Period:05/09/13

Date any Call-In received or decision implemented:

BACKGROUND

The development of 175-189 London Road, Apsley forms part of the Council New Build Programme Phase One. As part of the development, the Council needs to relocate the substation at 185 London Road to a new position at the rear of the new development.

The Council has appointed PEMXQ to manage the process of relocating the substation on the Council's behalf. PEMXQ approached UK Power Networks in May 2013 in order to obtain a quotation for relocating cables from 185 London Road to the site of the new substation. UK Power Networks are the only body that can carry out these works, and the quotation that they provide is non-contestable.

UK Power Networks Quotation

UK Power Networks have quoted £138,518.88 to relocate the electricity from 185 London Road to the new substation. This excludes the construction of the new substation building, and compensation for vacating their current land to move to what will be a smaller site.

The £138,518.88 and the compensation are both non-contestable meaning the Council must meet these costs in order to proceed with the development as proposed. The issue of the substation was known when the Council acquired this site, and was budgeted for in the original budget estimate for London Road, as part of the October 23rd 2012 Cabinet Report.

As stated above UK Power Networks are the only body that can carry out these works. Section 10 of the Council's Procurement Standing Orders (PSO's) provides the Council with the ability to award contracts without the need to tender these requirements out to the market.

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Clause 10.2 of the PSO's states;

Tenders may be dispensed with where the proposed contract genuinely falls within one of the following exceptions;

Clause 10.2.3 of the PSO's states the following exception;

Where such services, supplies and/or works are only available from one source

Therefore the Council are able to award this contract in compliance with Section 10 of the Procurement Standing Orders.

Relocation

Upon the Council's acceptance of the UK Power Networks quotation, a legal agreement will be signed between both parties that will allow development to progress as planned. The physical works of building the new substation will fall to the contractor who is awarded the main build contract at London Road.

It is therefore recommended that the Council accepts UK Power Networks quotation for the relocation of the current substation at 185 London Road, Apsley to allow the development of 175-189 London Road, Apsley to progress as planned.

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Registered Office:
Newington House
237 Southwark Bridge Road
London SE1 6AP

Company:
UK Power Networks (Operations)
Limited

Registered in England and Wales No: 3870728

Mr Jack Burnham
Dacorum Borough Council
Civic Centre
Marlowes
Hemel Hempstead
Herts
HP1 1HH

401304004/170902
Your Ref: 1302514

07/06/2013

Contacting Us
If you need any help
08701 963307

Dear Mr Burnham

Re: 185 London Rd, Apsley, Hemel Hempstead Project Ref Number: 401304004/170902

Thank you for your recent enquiry regarding the work you propose to undertake at above site.

I have enclosed a drawing which shows the approximate position of UK Power Networks existing electric lines and electric plant in the area affected by your proposed work. On this drawing I have shown my proposals for the alterations that I presently believe to be necessary to UK Power Networks electric lines and/or electric plant.

The alterations to UK Power Networks' electric lines and/or electric plant, required to accommodate your proposed work are described below.

Description of Works

Works to be carried out by the customer

Construct new brick substation enclosure within your site to UKPN specification.

Works to be carried out by UK Power Networks

Establish new substation in revised location within your site. Lay and connect new cabling between existing substation and new substation, including excavation and reinstatement of footpath. Removal of redundant transformer and switchgear and disconnection of supplies from old substation building on completion

We will require legal rights for the new substation to be granted before works can be completed. No provision has been included in the price for any consideration that may be required for the surrender of land rights.

I estimate the cost of making these alterations to be **£138,518.88** plus VAT at appropriate rate. Terms and Conditions upon which UK Power Networks will carry out the work are enclosed.

UK Power Networks, Metropolitan House, Darkes Lane, Potters Bar EN6 1AG
Tel Number: 08701 963307 Fax No.: 08701 963349 Email: Charles.Clayden@ukpowernetworks.co.uk

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A breakdown of these estimated charges is shown separately in the "Estimated Cost of Works" page at the back of this letter.

Please note that UK Power Networks reserves the right to vary the amount of any of its estimates to cover the actual cost of the work it carries out. The matters which UK Power Networks presently considers may cause the amount of any of its estimates to be varied are detailed in the enclosed Terms and Conditions.

What to do next:

If you want UK Power Networks to carry out the work on these terms and conditions please complete the enclosed acceptance form and return it to the address shown on the form together with your payment of the estimated cost. Please make sure you note UK Power Networks' project reference on the back of your cheque.

Once UK Power Networks has acknowledged receipt of your acceptance form and payment, you will be contacted by our Delivery Team to arrange for the work to be completed. N.B. the work cannot be programmed until your payment has been received. Please note that we normally require 12-16 weeks notice to obtain materials and programme work of this nature. If you wish to proceed, it is recommended that you send your payment and acceptance form as early as possible to avoid delays on site.

The enclosed Terms and Conditions set out the basis upon which UK Power Networks proposes to undertake the work and I recommend that you read these carefully so that you are aware of your obligations. In addition you should note the following specific requirements.

Ducts

During installation, you must ensure that the precise location of any ducts are accurately recorded and permanently marked on site. A copy of the record should be provided to our Project Manager.

You should note that additional ducts may be required for street lighting cables, dependent upon your street lighting layout.

Street Lighting

No provision has been included in my estimate for the alterations or provision of street lighting. It is important that I receive details of your proposals in this respect so that adequate provision can be made for cross road ducts and additional cabling to minimise disturbance in the later stages of your alterations.

Existing Plant

The position of UK Power Networks' existing apparatus shown on any drawings provided is believed to be correct. UK Power Networks accepts no responsibility in the event of inaccuracy and should any other cables be discovered on site they must be considered LIVE and DANGEROUS at all times and must not be cut, re-sited, suspended or generally interfered with, unless specifically authorised on site by UK Power Networks' Project Manager.

All the cables are UK Power Networks' property and remain so even when made dead and any such cable exposed should be reported to UK Power Networks for collection and authorised disposal.

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Safety

I would take this opportunity to remind you that UK Power Networks' plant, if damaged or interfered with, represents a serious hazard to life. I must ask you to ensure that any of your staff, agents or contractors who may work or survey in the vicinity of UK Power Networks' apparatus are informed of the possible dangers.

As you are aware the responsibility for site safety of your employees, your contractors and other site visitors rests with the manager on site. All works must be carried out in accordance with the Health & Safety at Work etc Act 1974 and its relevant Regulations, including the Electricity at Work Regulations 1989. It is recommended that you obtained H.S.E. booklet HS(GS)47 which deals with safe digging practises.

The Construction (Design & Management) Regulations 2007 (CDM) are likely to apply to your works. UK Power Networks is keen to ensure that all work relating to the design, construction and maintenance of this project is carried out in a safe manner. Should either the CDM Coordinator or Principal Contractor require any additional information please ask them to contact our Project Manager.

In the interest of safety to personnel, equipment and UK Power Networks' apparatus, it is imperative that the approximate position of the underground cables is established before any excavation is commenced. The positions are to be obtained by the use of electronic cable locators and to then be confirmed by careful trial holing, using hand held tools. UK Power Networks CANNOT UNDERTAKE THIS WORK FOR CONTRACTORS.

ALL cables found must be considered live and dangerous at all times.

Where overhead equipment is either evident on site or shown on UK Power Networks' plans it must be considered live and dangerous at all times. All work in the locality should be carried out in accordance with Document GS6, issued by the Health and Safety Executive, and the Electricity at Work Regulations 1989 must be observed. Work must not be commenced on site until UK Power Networks have attended and agreed the necessary precautions.

Disputes

If you have reason to complain please use our Complaints Process that can found at our web site at:

<http://www.ukpowernetworks.co.uk/products-services/networks/customer-services/contact-us.shtml>

Yours sincerely



Mr Charles Clayden
Project Designer

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UK Power Networks EPN plc
Project Name: 185 London Rd Aspley sub

Project Reference 401304004/170902

Estimated Cost of Works

Non Contestable Charges

Description	Plant & Materials (£)	Installation / Other (£)	Total (£)
LV Works	£8,643.38	£10,576.22	£17,219.60
HV Works	£57,534.77	£44,799.02	£102,333.79
EHV Works	£0.00	£0.00	£0.00
Miscellaneous	£0.00	£18,965.49	£18,965.49
Credits	£0.00	£0.00	£0.00
Customer Funded Reinforcement Works	£0.00	£0.00	£0.00
Assessment / Design Charges			£0.00
Testing & Inspection Charges			£0.00
Operation & Maintenance			£0.00
Funded by or for Others			£0.00
Total Non Contestable Charges (Excl VAT)			£138,518.88

Contestable Charges

Description	Plant & Materials (£)	Installation / Other (£)	Total (£)
LV Works	£0.00	£0.00	£0.00
HV Works	£0.00	£0.00	£0.00
EHV Works	£0.00	£0.00	£0.00
Miscellaneous	£0.00	£0.00	£0.00
Credits	£0.00	£0.00	£0.00
Total Contestable Charges (Excl VAT)			£0.00

Total Charges

Description	Net (£)	VAT (£)	Gross (£)
Total	138,518.88	27,703.78	166,222.66

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UK POWER NETWORKS
FORM OF ACCEPTANCE OF ESTIMATE
FOR DIVERSIONARY WORKS (Non NRSWA)

To UK Power Networks, Finance, Metropolitan House, Darkes Lane, Potters Bar, EN6 1AG

NTR 185 London Rd Aspley sub

I accept your estimate for diversionary works at the above site and attach my payment of £138,518.88 plus VAT as set out in your letter dated 07/06/2013, reference 401304004/170902. I understand that UK Power Networks will send an invoice on receipt of this acceptance and the required advance payment.

I understand that where VAT has been charged a Tax Invoice will be issued by UK Power Networks on receipt of the advance payment, on receipt of the final payment and on receipt of any interim payments that have been agreed.

Signed _____ Date _____

Name and address of the person making payment _____

If acting as agent please state name and address of principal _____

Method of payment (please tick your chosen method)

<input type="checkbox"/> Cheque	Please make cheques payable to 'UK Power Networks'
<input type="checkbox"/> Card	Please call 0845 234 0040. You will need to have your reference number to hand.
<input type="checkbox"/> BACS/CHAPS	HSBC Bank Plc, Sort Code 40 05 30, Account Number 02302934 and UK Power Network's Reference No above (first 9 digits beginning with 400). Please send this form back to us at the time of the BACS/CHAPS transfer to ensure that payment gets processed correctly.

NOTES:

1. Please return this acceptance with your payment of the sum shown above, plus VAT. Cheques to be made payable to UK Power Networks and crossed.
2. Please note that any delay in returning this acceptance may result in delays in carrying out the works
3. This estimation may be revised if not accepted within 90 days of the date of the estimation

FOR OFFICE USE ONLY

CASHIER

Project Reference 401304004/170902

CALCULATION OF VAT

Total (exc VAT) = £138,518.88 VAT @ 20.00% = £27,703.78 Total (inc VAT) = £166,222.66

Registered Office: Newington House, 237 Southwark Bridge Road, London SE1 6NP. Registered No. 3870728