



HARTLEPOOL BOROUGH COUNCIL

OFFICER DECISION RECORD

Department: Regeneration and Neighbourhoods

Division: Economic Growth and Regeneration

Date of Decision /
Issue of Licence: 27th September 2019

Officer Making
Decision: Chief Executive

Subject / Description
& Reason for
Decision: **The BIS Project**

The BIS project sought to acquire and convert a vacant Grade II Listed Building to create workshop/studio space for up to 28 start-up and emerging creative industries/businesses. Due age, condition, legacy in terms of building fabric and apparatus from previous uses and its Listed Status the BIS project delivery went over the agreed contract length and as a result went over the agreed budget.

The approved budget was £4,593,000; the actual costs have exceeded this and through proactive negotiations have been discounted as far as reasonably possible to a figure of £237,272 (i.e. 5% of the approved budget) owing to the complexities of the scheme as outlined above. Due to the threat of adjudication there is an urgent need to progress the payment immediately. These costs will be paid to the contractor. The department will seek to achieved managed underspends during the remainder of the year to mitigate these capital costs. However these underspends if achieved may need to be allocated to offset General Fund overspends in other areas including potential further increases in Looked After Children costs. Therefore as a fall-back position it is proposed that these costs may all need to be funded from prudential borrowing. This would result in recurring annual repayment costs of £9,000, which the department will fund by making small savings in running cost budgets. Details of the final funding arrangements will be reported to Finance and Policy Committee within the final 2020/21 Medium Term Financial Strategy report.

Type of Decision: Key decision - RNO1/16

Due to the threat of adjudication from the contractor there is an urgent need to progress the payment for these unplanned and unforeseen costs immediately.

Nature of Delegation
Being Exercised:

Officer Delegated Authority as set out in Part 3 of the Constitution:

CE15 - In consultation with the Leader (or in his absence the Deputy Leader), Chair of the relevant Committee (or in his absence Vice Chair) and Monitoring Officer, the Chief Executive (or in his/her absence the Director of Finance and Policy) may take a decision normally reserved to a Committee where:

(a) Failure to take the decision quickly would, or would be likely to, harm the interests of the Council and the public.

(b) The decision is so urgent that it cannot wait until the next meeting of the Committee at which the decision would normally be taken.

Alternative Options
Considered &
Rejected:

Officers have negotiated the sum due, non-payment is not an option as it would give rise to a claim against the Authority for breach of contract.

Any Declared
Register of Interest

No

OFFICER WITH THE DELEGATION

NAME

Gill Alexander

Date

30/9/19

Gill Alexander

POST TITLE

Chief Executive

In consultation with:

NAME

Shane Moore

Date

30/9/19

Cllr Shane Moore

POST TITLE

Leader of the Council

NAME

Leisa Smith


Date

30/9/19

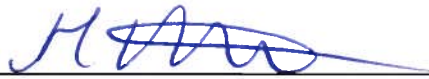
Cllr Leisa Smith

POST TITLE

Deputy Chair, Regeneration Services Committee

NAME  Date 30/9/19
Chris Little

POST TITLE
Director of Finance and Policy

NAME  Date 30/9/19
Hayley Martin

POST TITLE
Chief Solicitor

