

OFFICER DECISION RECORD SHEET

Name of decision maker:

Corporate Director Finance and Operations / Section 151 Officer

Service Area:

Housing Development

Title of Decision:

To sign the sub-contractor warranty documents for 'PRP UK Ltd and EHW Ltd' required to cover the development of 3 houses at Bingham Mews.

To sign the S278 agreement between Dacorum Borough Council and Hertfordshire County Council for alterations to the pedestrian and vehicular access to Bingham Mews.

Decision made and reasons:**Decision:**

To sign the sub-contractor warranty documents for 'PRP UK Ltd and EHW Ltd' required to cover the development of 3 houses at Bingham Mews.

To sign the S278 Agreement between Dacorum Borough Council and Hertfordshire County Council for alterations to the pedestrian and vehicular access to Bingham Mews.

Reason:

Cabinet approval has been obtained to appoint 'Modplan Building & Refurbishment Contractors Ltd' on a JCT D&B contract to deliver these units and as part of this contract, Modplan may sub-contract elements of the build to 3rd parties, these parties are required to provide collateral warranties for their goods.

The policy and supporting warranties/liabilities have been reviewed by DBC's Legal team and DBC's Employers Agent (EA) 'BPM Project Management Ltd' and both support the signing of these warranties in their current form, without amendment. This insurance policy to cover the quality of the build of the units for up to 12 years after completion.

In order to comply with the planning permission, Dacorum Borough Council were required to enter into an agreement with Herts County Council under Section 278 of the Highways Act 1980 to ensure the satisfactory completion of the access and associated road improvements to support the Bingham Mews development. The draft S278 agreement has been reviewed and approved by DBC's Legal Team.

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Reports considered:

The warranties for signing and EA's report are attached.

S278 Agreement

Officers/Councillors/Ward Councillors/Stakeholders Consulted:

Housing Development Group Manager
Housing Development Lead Officer
Legal Governance Team Leader (Planning and Property)

Financial Comments:

The product liability insurance provided by the warranty provider is with a minimum limit of indemnity of not less than £5,000,000 (five million pounds) in the aggregate. There is no costs to bear by DBC.

Deputy Monitoring Officer Comments:

No further comments to add to the report.

Deputy S151 Officers Comments:

The signing of the sub-contractor warranty extends future liability to the contractor and hence reduces the potential future liabilities for the council. There is no direct cost to the council of this warranty.

Financial:

The financial liability to the council to **not** have this Premier Warranty are likely to amount to the re-build and associated costs for 3 units + time and reputation of the Council cost.

Options considered and reasons for rejection:

If this insurance policy is not approved for signing the Council risks the replacement build costs (+) for 3 units.

If the S278 Agreement is not approved for signing, the Highway authority may execute such works as are necessary to stop up the means of the access to enter the land.

Officer Signature:

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Date: