

NORTH SOMERSET COUNCIL DECISION

DECISION OF: THE DIRECTOR OF DEVELOPMENT AND ENVIRONMENT

WITH ADVICE FROM: SECTION 151 OFFICER AND THE HEAD OF STRATEGIC PROCUREMENT



DECISION NO: 19/20 DE 260

SUBJECT: SUMMER LANE FLOOD ALLEVIATION SCHEME CONTRACT AWARD APPROVAL & BUDGET INCREASE

KEY DECISION: YES

REASON: The value of the decision is over £500,000

BACKGROUND:

The Council's Local Flood Risk Management Strategy (LFRMS) sets objectives and outlines how we, in partnership with a range of other organisations and the public, will seek to manage flood risk from surface runoff, ordinary watercourses and groundwater. The LFRM identifies the communities most at risk within North Somerset from these flooding sources.

The LFRMS identified Weston-super-Mare (W-s-M) as being the most at-risk community in North Somerset. More than 200 properties across W-s-M are predicted to be at risk of surface water flooding for a 1-in-30 year rainfall event. Subsequently a Surface Water Management Plan for W-s-M was prepared, and additional investigation works undertaken identifying a need for a scheme in the Summer Lane Ponds area of W-s-M.

The scheme will reduce the risk of flooding to residential properties and other local infrastructure.

The Scheme will create a new surface water storage area and flow route to manage flood risk in the area. The construction works comprise earthworks to create an attenuation pond, culvert construction, footways, lighting and landscaping.

Funding has been secured from the Environment Agency & Wessex Water to deliver the scheme with a local (NSC) contribution. See details in Financial implications below.

The decision needs to be made quickly because the terms of the Environment Agency funding are that works need to commence prior to the end of March 2020. The construction programme is such that the contract will need to be awarded immediately to achieve the construction programme. Therefore this decision will be implemented

immediately and the Chair of the Strategic Strategic Planning & Economic Development Policy Scrutiny Panel has been notified in line with the Councils Constitution, Access to Information Procedure Rules, ss 14, 15.

DECISION:

- Accept receipt of the additional £200,000 funding from Wessex Water and add this to the Capital Programme.
- Approve a virement of £427,354 from unclassified roads.
- Award the contract to Skanska through the Highway term contract.

REASONS:

The funding requirements of the Environment Agency is to have the contract signed before the end of this calendar year and construction work started before the end of this financial year. To meet these deadlines, the most efficient route to market is to use the council's Highways Term Maintenance Contractor.

After detailed design and incorporating feedback from the consultation process, the costs for the scheme have escalated higher than the originally identified budget. The Target Cost exercise for the scheme is now complete and additional monies are required.

Wessex Water has agreed to contribute £200,000 to support the delivery of the scheme. An increase to the internal contribution of £427,354 is required to continue supporting scheme delivery.

Delivery of the scheme will mean that 85 properties are no longer at significant or very significant risk of flooding from a 1-in-30 year flood event. It will provide properties between Moor Lane, Somerset Avenue, Diamond Batch as well as the Railway, a care home and an NHS mental health facility a protection level of a 'once in two hundred years' flood event. It will also mitigate against the impact of flooding on the local highway network at peak times.

The Council's Highways Term Maintenance contract will be used to deliver the scheme, as agreed by the Corporate Leadership Team on 18th December 2019.

OPTIONS CONSIDERED:

- 1). Do not deliver scheme give back £871k to the Environment Agency (EA) and Wessex Water (WW). This does not address the concerns North Somerset Council (NSC), the EA and WW have about the significant flooding issues and would incur costs for abortive design works (circa £215k) which would have to be found from NSC revenue budgets. NSC would incur significant reputational damage and political fallout.
- 2). Descope scheme – Extensive work has gone into value engineer and reduce costs. Any further cost reduction would result in the outcomes of the scheme not being achieved.
- 3). Proceed with scheme at increased budget. WW have increased their contribution to meet a significant portion of these costs. The remaining budget is to be closed by LTP allocation (this decision notice).

4) Competitively tender the procurement, however, the tight timescales make this impractical.

FINANCIAL IMPLICATIONS:

Costs

Scheme Cost Summary:	£
Pre-construction (design / investigations / surveys)	215,085
Skanska - Main civils	897,379
Skanska - contract overhead*	161,528
NSC Staff costs	20,000
Site supervision + contract support (NSC)	28,212
Quantified Risk	98,150
Total Scheme Cost	1,420,354

The contract overhead is based on an assessment the value of capital projects to be delivered through the contract this financial year, apportioning the £670k fee over the projects. The working assumption is that each scheme will contribute 18% of the Main Civils value. This is considered a worst-case scenario.

Funding:	£
Consented Local Levy (EA)	180,000
Grant in Aid (EA)	491,000
Lead Local Flood Authority (NSC)	45,000
Open Spaces (NSC)	20,000
Highways Authority (NSC)	57,000
Approved Budget	793,000
2019/20 LTP budget virement	427,354
Wessex Water	200,000
Unapproved Funding	627,354
Total Funding	1,420,354

An additional £427,354 has been identified from slippage within the Highways Works programme, specifically unclassified roads, carried over from 2018/19 and funded from unsupported borrowing.

LEGAL POWERS AND IMPLICATIONS:

The scheme at Summer Lane Ponds will be implemented and operated by NSC under its powers as Local Highway Authority (Highways Act 1980). All construction activity falls within NSC land ownership.

The scheme was granted planning permission in November 2018.

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS:

The scheme will increase the flood resilience to areas in Weston-super-Mare.

CONSULTATION

Highways and Streets & Open Spaces have been consulted, in order to understand the maintenance requirements once the scheme is complete. As funding contributors, the Environment Agency and Wessex Water are periodically updated with progress. Public and stakeholder engagement has been undertaken throughout the scheme design stages. A communication plan has been developed and is being implemented. NSC has undertaken an information drop-in session for residents and other interested parties. Cllr Crew (ward member for Weston-super-Mare South Worle) attended and has been consulted throughout the design phase of the scheme. The main theme of responses has been from residents around the impact of flood risk to their properties, of which none are at an increased risk.

RISK MANAGEMENT

It is a requirement of the funding that contracts are signed by the end of December 2019 and work commences on site by March 2020. The Target Cost exercise undertaken by NSC's Term Highways Contractor is complete and submitted to NSC. The cost is in line with what was expected and falls within the budget allocation?

The scheme is on the forward plan stating the contract cannot be awarded before 1st December 2019.

The QRA has been reviewed at key stages throughout the project development to tender stage. The construction contract includes a mechanism that actively encourages both parties to continually monitor the contract risk throughout construction and jointly resolve any issues to the benefit of the project.

The Project Board are the responsible body overseeing the development and delivery of the programme. Project specific SRO and Project Manager are in place to manage the scheme development and implementation.

EQUALITY IMPLICATIONS:

An Initial Equality Impact Assessment has been completed and concludes no groups of people are adversely impacted by the scheme.

CORPORATE IMPLICATIONS:

The scheme strongly supports the Council's key outcome identified in the Corporate Plan of Quality Places. Included in this outcome is the ambition to build and sustain great places to live and visit, and the scheme of work proposed here would help deliver this outcome for the community in the Summer Lane area of Worle.

The Scheme contributes to the LFRMS objectives to

- i) improve our understanding of flood and coastal erosion risks in North Somerset; and
- ii) develop plans and policies to manage these risks sustainably.

APPENDICES

None

BACKGROUND PAPER

Planning permission – November 2018 <https://planning.n-somerset.gov.uk/online-applications/simpleSearchResults.do?action=firstPage>

Report to the Executive 25/04/2017 – <http://apps.n-somerset.gov.uk/cairo/docs/doc28052.pdf>

Full Council approval of Highways Term Maintenance Contract <http://apps.n-somerset.gov.uk/cairo/docs/doc28428.pdf>

SIGNATORIES:

DECISION MAKER(S):

Signed:  Director of Development and Environment

Date: 19/12/2019

In consultation with S151 Officer and the Head of Strategic Procurement:

Signed:  S151 Officer

Date: 19/12/2019

Signed:  Head of Strategic Procurement

Date: 19/12/2019

