



CABINET - 29TH SEPTEMBER 2021

SUBJECT: MONTCLAIRE AVENUE STREAM WORKS FUNDING BID

REPORT BY: CORPORATE DIRECTOR SOCIAL SERVICES & HOUSING

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1. PURPOSE OF REPORT

- 1.1 This report is to inform Cabinet of the proposals to address extensive scour and loss of riverbank support immediately behind residential properties along Montclaire Avenue, Blackwood. Whilst these properties were historically Council owned, all but two properties Numbered 77 and 79 Montclaire Avenue have been sold to private owners. While the properties were sold Caerphilly Council chose to retain the riparian ownership and liability of the watercourse including the banks up to the aforementioned private property boundaries.

This report recommends funding to be made available to fund and undertake the construction phase of this scheme which was recently tendered.

2. SUMMARY

- 2.1 Caerphilly CBC's Engineering Projects Group (EPG) were requested by the Housing service to develop a proposal which addresses water erosion and loss of support to the riverbank immediately behind residential properties along Montclaire Avenue, Blackwood. The Scheme comprises headwalls, canalised and culverted constructions to convey the stream's water to mitigate future detriment to the watercourse and neighbouring properties rear gardens. The stream currently flows between Caerphilly County Borough Council, Gwent Police, and a private owners land.
- 2.2 The detailed design for this scheme was complex and the proposal provided by EPG included a multi-disciplinary approach. EPG engaged and consulted with independent Consulting Engineering companies (WSP and Cbec Eco Engineering) and statutory authority bodies (NRW and CCBC Land Drainage department) to ensure the proposal is in line with and achieves Ordinary Watercourse Consent and Water Framework Directive requirements.
- 2.3 The proposal addresses the watercourse scour and loss of bank support and ensures robust infrastructure for the future coupled with providing local residents assurances that their properties will remain secure from detriment of the watercourse in the future.

- 2.4 The scheme has already been tendered to the open market and costs presented in this report provide cost assurance subject to contract changes and instances which are out of the control of the Authority and nominated Principal Contractor.
- 2.5 This report recommends funding of £1,500,19.20 be made available to the public sector Housing division to secure a contractor to undertake the construction phase of this scheme.

3. RECOMMENDATIONS

- 3.1 That funding of £1,500,19 is made available to deliver the scheme at Montclair Avenue.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To allow the Authority to meet its statutory liability as riparian owner of the water course and to cover both the design and construction costs of this scheme.

5. THE REPORT

- 5.1 EPG developed a proposal to address water erosion and loss of support of the riverbank immediately behind residential properties along Montclair Avenue, Blackwood at the request of the Housing service. The Scheme comprises headwalls, canalised and culverted construction to convey the stream's water thus mitigating future detriment to the watercourse and neighbouring properties' rear gardens.
- 5.2 CCBC Public Sector Housing are the riparian owner of the stream and are responsible for the scheme costs within their ownership.
- 5.3 A potential contribution of £65,000 towards the scheme from private landowner has been verbally offered. This provisional sum has been suggested on the proviso that CCBC take on the liability of the ground in accepting this contribution. The location of the ground is north of the watercourse and it is appropriate that this potential additional fund would contribute towards CCBC Housing costs for the scheme. If this is not acceptable then scheme design can be amended / reduced to exclude those works not in CCBC ownership.
- 5.4 The watercourse detriment has attracted local residents and Ward Councillor concerns over the past few years with an expectation for resolution by the riparian owners. Failure to address the current problems within the watercourse will result in further detriment which may undermine residential gardens requiring additional works to those currently proposed and costs to exceed of those provided in this report.

This report recommends funding to be made available to secure a contractor to undertake the construction phase of this scheme as a matter of urgency and in advance of severe winter weather.

This scheme has been issued to tender twice:

- Issued via Sell2Wales and Proactis on the 16th June 2021 and returned on the 9th of July 2021. Two contractors supplied responses however one was disqualified as they qualified their costs and the other did not satisfy the quality submission questions in particular the Health and Safety element.

Based on the aforementioned issues it was not possible to award the contract at that time.

- The second tender issue was published via Sell2Wales and Proactis on the 23rd July 2021 and returned on the 13th August 2021. Again, only two responses were received. Both Contractors scored very low on the quality submission but were invited to present their proposals to Engineering Project Group and Procurement department officers. This presentation allowed the two contractors to provide additional clarification to Officers which had not been included as part of their original submission. Following the presentation, it was deemed sufficient information was provided to progress to the contract to award stage.

Due to the commercial sensitivity of the tender costs provided, names of the interested contractors have been omitted but the tender sums can be found below.

- 1) Lowest tender cost estimate: £1,200,016.00.
- 2) Second place tender cost estimate: £1,539,068.43.

The tender amounts do not include design and consultation fees accrued during the design stages which are as follows.

CBEC Montclair Bank Erosion project report and proposal -	16,145.00
NPS Framework WSP Water Framework and Scour report	£25,000.00.
Glanville Environmental 3D laser survey	£7,557.63
Engineering Project Group Consultation (1) and supervision (2) Fees	(1)£40,000 (2) £50,000.00.
Total sum	£138,702.63

Construction costs are tendered at £1,200.016.00, design and supervision fees are estimated at £138,702.63 which gives a total liability circa £1,338,718.63 . In addition to this a risk contingency of 20% of the tender sum plus supervision costs has been allowed to give a total cost of £1,500,19.20.

5.5 Conclusion

Given the urgency and specialist nature of the proposed engineering solution EPG have already:

- Completed an independent design review to ensure conformance with the Water Framework Directive requirements to gain Ordinary Watercourse Consent.
- Openly Tendered the scheme via Sell2Wales and identified a potential Contractor with a costed estimate to undertake the works.

Consequently this report recommends that funding of £1,500,19.20 is made available to allow this scheme to progress at the earliest opportunity.

6. ASSUMPTIONS

- 6.1 The tender costs provided are based on known site information and may change once the works commence due to unknown ground conditions, inclement weather, changes to material costs and / or material shortages. The nature of the Contract allows the works to be remeasured and potential savings passed onto the stakeholders, conversely price uplift will also be passed on.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

- 7.1 The IIA (Appendix 1) indicates that the stream reinstatement works will address the ongoing scour, erosion and loss of embankment support. Addressing the defects now will mitigate the need for heavier civil engineering works in the future. Not progressing with the proposal could have the reverse negative impact as the stream's embankments could eventually fail resulting in the private land owners not using their back gardens due to safety concerns. Additionally localised embankment collapse could cause localised flooding which can affect local residents, road users, Blackwood Police Station and leisure centre users.

8. FINANCIAL IMPLICATIONS

- 8.1 The HRA sets a standard contingency budget of £500k to cover unforeseen emergency works. This was increased to £1m for the 2021/22 HRA budget, when it became clear that the works at Montclair Avenue were likely to increase significantly, although at that time, no final estimate was confirmed. This report has now confirmed likely costs of some £1.5m and although £1m has been set aside for contingency, it would not be prudent to deplete this budget fully in case there are other unforeseen costs before the end of the financial year. However, the latest budget monitoring report (period 3) is currently projecting a £1.5m underspend this financial year for the HRA, of which a proportion can be earmarked towards this cost, together with a suitable proportion of the contingency budget.

9. PERSONNEL IMPLICATIONS

- 9.1 There are no personnel implications attached to this report.

10. CONSULTATIONS

- 10.1 The following statutory bodies were consulted during the development of this proposal
- Natural Resources Wales.
 - Caerphilly CBC Land Drainage department.
 - Caerphilly CBC Ecologists.
 - Caerphilly CBC Procurement department.
 - Gwent Police nominated independent Consulting Engineers - Jubb Consulting Engineers. This consultation is ongoing.
 - CCBC Public sector housing department.
 - CCBC Education department.
 - WSP Consulting Engineers.
 - Cbec Eco Engineering.

10.2 The report also reflects the views of the consultees listed below

11. STATUTORY POWER

11.1 Local Government Acts – this is a Cabinet function

11.2 Caerphilly CBC Land Drainage department – Ordinary Watercourse Consent.

12. URGENCY

12.1 Early intervention of remedy for this scheme will mitigate further detriment to the site and ultimately mitigate further contract costs. We therefore consider this to be a decision that needs to be actioned urgently, as contractors have been appointed, and should not therefore be subject to call in.

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Consultees: Cllr Lisa Phipps, Cabinet Member for Housing
John Ridgewell, Chair of Housing & Regeneration Scrutiny
Cllr Mike Adams, Vice Chair of Housing & Regeneration Scrutiny
Christina Harry, Chief Executive
Richard Edmunds, Corporate Director of Education and Corporate Services
Mark S Williams, Corporate Director for Economy and Environment
Steve Harris, Head of Financial Services & S151 Officer
Cllr Kevin Etheridge (Ward Member for Blackwood)
Cllr Nigel Dix (Ward Member for Blackwood)
Cllr Andrew Farina-Childs (Ward Member for Blackwood)
Lesley Allen, Principal Group Accountant, Housing
Marcus Lloyd, Head of Infrastructure
Julian Higgs, Engineer, Communities

Appendices:

Appendix 1 Integrated Impact Assessment

Appendix 2 SO811-002 Proposed Site arrangement and vegetation clearance