



## Delegated Cabinet Member Decision Report

<b>Decision Maker and Portfolio area:</b>	<b>Cllr A Jabbar, Cabinet Member for Finance and Corporate Resources</b>
<b>Date of Decision:</b>	<b>16<sup>th</sup> July 2019</b>
<b>Subject:</b>	<b>Broomes Park, Chadderton (Drainage Scheme) – Budget Increase and Implications</b>
<b>Report Author:</b>	<b>Eleanor Sykes</b>
<b>Ward(s) Affected:</b>	<b>Chadderton Central</b>

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**Reason for the decision:** A drainage scheme within the Transport Capital Programme 'Broomes Park, Chadderton' is currently on-site (since March 2019). The purpose of the scheme has been to install new drainage infrastructure along Broomes Park and Hunt Lane to alleviate historical flooding issues to properties on Broomes Park. The scheme is well advanced but has hit several difficulties. This has resulted in the scheme contingency being used in full and the need for additional budget to be secured which is the subject of this report.

**Summary:** The purpose of this report is to explain the reasons for the budget increase and formalise the additional budget required for the scheme through additional Grant in Aid funding secured through the Environment Agency and resources in the transport capital programme.

***What are the alternative option(s) to be considered? Please give the reason(s) for recommendation(s):***

**Option 1:**

- Note and agree the required budget changes outlined in this report for the Broomes Park scheme.

**Option 2:**

- Do not agree the required budget changes outlined in this report for the Broomes Park scheme.

**Recommendation(s):**

**Option 1:**

- Note and agree the required budget changes outlined in this report for the Broomes Park scheme.

**Implications:**

What are the **financial** implications?

The cost of the additional works required for the Drainage Scheme at Broomes Park has been estimated at £200k.

£124k will be funded by the Environment Agency. The estimated £76k shortfall will be funded through forecasted underspends generated within various Transport Schemes within the Capital Programme.

(John Edisbury/Sadrul Alam)

What are the **procurement** implications?

N/A – additional works to be delivered as part of the original contract agreement.

What are the **legal** implications?

N/A

What are the **Human Resources** implications?

N/A

**Equality and Diversity Impact Assessment** attached or not required because (please give reason)

N/A

What are the **property** implications

N/A

**Risks:**

None

**Co-operative agenda**

The Transport Capital Programme is determined and approved centrally (involving Council and

Unity officers at a senior level and the Portfolio Holder for Neighbourhood Services) so that schemes meet the Council's statutory duties and wider transport strategy objectives. In the light of decreasing levels of funding, the development of the programme reflects a co-operative approach, ensuring that where possible schemes meet multiple objectives and complement other capital and revenue programmes such as regeneration. This approach can often result in composite schemes comprising carriageway maintenance, safety enhancements, public realm, pedestrian and cycle improvements, which achieves better value for money.

Has the relevant Legal Officer confirmed that the recommendations within this report are lawful and comply with the Council's Constitution? Yes

Has the relevant Finance Officer confirmed that any expenditure referred to within this report is consistent with the Council's budget? Yes

Are any of the recommendations within this report contrary to the Policy Framework of the Council? No

**List of Background Papers under Section 100D of the Local Government Act 1972:**

**There are no background papers for this report**

<b>Report Author Sign-off:</b>	<b>Date:</b>
Eleanor Sykes	4 <sup>th</sup> July 2019

Please list any appendices:-

<b>Appendix number or letter</b>	<b>Description</b>

**Background:**

The Environment Agency manage a rolling 6-year (2015/16 – 2020/21) Flood Management Programme which has the aim of protecting 600,000 properties from

flooding by the end of the 6-year period (March 2021). A Business Case was prepared and submitted to the Environment Agency in 2015/16 for a potential scheme at Broomes Park in Chadderton where 30 homes had experienced or could experience flooding. This resulted in the following funding being secured from the Environment Agency which was supplemented by a contribution from Oldham Council:

Grant in Aid	£280,500
Local Levy	£75,000
Local Authority Contribution	£22,000
<b>Total</b>	<b>£377,500</b>

Following this the scheme was developed and designed in detail, was tendered earlier this year and started on-site in March 2019.

The scheme has introduced measures to protect properties against flooding on North Dene Park and Broomes Park. The measures include:

- Construction of a new highway drain on Broomes Park, Hunt Lane, wooded area south of Ferney Field Road and Ferney Field Road;
- Connection of new highway drain to an existing United Utilities manhole at Ferney Field Road.

The tender award had a value of £255,756, including a 10% contingency, with the rest of the budget being utilised on extensive site investigations, preliminary works, design, site supervision and project management.

During scheme construction, it was found that the carriageway on Hunt Lane was not to DMRB (Design Manual for Roads and Bridges) Standards. The carriageway on Hunt Lane was found to consist of 100mm of asphalt surfacing on a 100/200mm reinforced concrete slab on sand/sandy clay. At several locations beneath the reinforced concrete slab voids were discovered, which caused sections of the carriageway to collapse.

This type of road construction is unusual (the contractors had only come across it once before) and was not known in advance of the scheme starting.

### **Proposals:**

A design to reinstate the carriageway on Hunt Lane was forwarded to the Contractor to price and was returned and assessed by Unity. The scheme was due to be complete by 5<sup>th</sup> July and the contractor would have begun the demobilisation process the same week.

On the 2<sup>nd</sup> July a decision was taken by the Cabinet Member for Finance and Corporate Resources and the Deputy Chief Executive – People & Place to instruct the contractor to carry out the reinstatement and resurfacing works after completion of the other works. This decision was based on the following reasons:

- Contractual obligation to the existing contractor to carry out the additional works to ensure guarantees and defect period would remain in place;
- To prevent further delays to the scheme being completed;
- To prevent further disruption to Radclyffe School and residents due to Hunt Lane being closed;
- To prevent additional costs due to the contractor demobilising and having to mobilise again.

The estimated additional budget required at this stage is ~£200,000, a large percentage of this being for the road reinstatement and resurfacing.

**Conclusions:**

Through regular liaison with the Environment Agency, who we've kept informed on scheme progress, there is an opportunity to access additional grant funding.

The grant funding available is based on the number of properties affected by flooding, the value of the properties and the level of protection provided by the measures being implemented. The Environment Agency have looked again at the calculator originally submitted for this scheme and feel we have underestimated the benefits of the scheme.

By increasing the benefits of the scheme the amount of Grant in Aid funding we are able to secure increases by ~£124,000 (figures will be confirmed in the coming weeks through providing adequate evidence to the Environment Agency). This means the shortfall in funding is ~£76,000 at this stage depending on the final scheme costs.

We are working through the process of applying for this additional funding from the Environment Agency. We are proposing to find the shortfall required from within the 2019/20 Transport Capital Programme through underspend generated as the year progresses and will liaise with finance colleagues to ensure this is dealt with by year-end.

In consultation with

(Relevant Executive Director/Director



Date: \_\_\_\_\_

