

CABINET MEETING – 7 SEPTEMBER 2023

EXECUTIVE SUMMARY SHEET – PART I

Title of Report:

CONSTRUCTION WORKS FOR THREE MAJOR FLOOD ALLEVIATION SCHEMES

Author(s):

Report of the Executive Director of City Development

Purpose of Report:

The purpose of this report is to seek approval to procure a contractor through the NEPO Framework for the construction works for three major flooding schemes (Caroline Street, Pallion and Deptford Terrace).

Description of Decision:

Cabinet is recommended to:

- (i) authorise the Executive Director of City Development, in consultation with the Dynamic City Portfolio Holder and the Director of Finance to procure and appoint a contractor / contractors for the required construction works for three Major Flooding Schemes; and
- (ii) Agree the inclusion of the funding for the full scheme within the Council's Capital Programme and approve the resultant variation to the Capital Programme.

Is the decision consistent with the Budget/Policy Framework? Yes

If not, Council approval is required to change the Budget/Policy Framework

Suggested reason(s) for Decision:

Three flooding schemes at Caroline Street Hetton, Pallion, Sunderland and Deptford Terrace, Sunderland which will protect 182 (39, 97 and 46 respectively) properties from internal flooding. Funding has been secured from the Environment Agency for the delivery of the works which will contribute positively to the City Plan objectives of a Dynamic and Healthy City.

The value of the three contracts are each estimated to exceed £500,000, therefore in accordance with the Council's Procurement Procedure Rules, Cabinet approval is required prior to commencing the procurement process.

Alternative options to be considered and recommended to be rejected:

No alternative proposals are submitted for consideration as in accordance with the Council's Constitution approval from Cabinet is required to procure the works. Additionally, if the works were not to be undertaken then the 182 properties in the three areas will remain at risk of flooding.

Impacts analysed;

Equality No Privacy No Sustainability No Crime and Disorder No

Is the Decision consistent with the Council's co-operative values? Yes

Is this a "Key Decision" as defined in the Constitution? Yes

Is it included in the 28 day Notice of Decisions? Yes

CONSTRUCTION WORKS FOR THREE MAJOR FLOOD ALLEVIATION SCHEMES**Report of the Executive Director of City Development****1.0 Purpose of the Report**

- 1.1 The purpose of this report is to seek approval to procure a contractor through the NEPO Framework for the construction works for three major flooding schemes (Caroline Street, Pallion and Deptford Terrace).

2.0 Description of Decision

- 2.1 Cabinet is recommended to:

- (i) authorise the Executive Director of City Development, in consultation with the Dynamic City Portfolio Holder and the Director of Finance to procure and appoint a contractor / contractors for the required construction works for three Major Flooding Schemes; and
- (ii) Agree the inclusion of the funding for the full scheme within the Council's Capital Programme and approve the resultant variation to the Capital Programme.

3.0 Introduction/Background

- 3.1 Flooding issues have affected properties in the following areas on several occasions over the last few years:

- Caroline Street, Hetton
- Pallion, Sunderland
- Deptford Terrace, Sunderland

There are a total of 182 (39, 97 and 46 respectively) properties at risk of flooding this has been confirmed by hydraulic modelling of the three areas.

Applications to the Environment Agency (EA) for Flood Defence Grant in Aid (GiA) funding for the three schemes have been successful and will fund the schemes in full.

4.0 Costs Estimates & Timescales

- 4.1 Due to current planned workloads and the statutory consultee process required prior to the works, the works are not expected to commence until December 2023 following the procurement and appointment of the contractor. The procurement of the contractor will be undertaken using the NEPO Framework for Civil Engineering and Infrastructure Works based on the pre-tender cost estimate. The duration of the works is dependent on the availability

of site access routes and road closures but is estimated to take up to 46 weeks for all three locations.

- 4.2 The cost estimate for the three schemes is £3.625m which includes appropriate contingency for any risks retained by the Council as part of the contract for the works.

5.0 Reasons for the Decision

- 5.1 Three flooding schemes at Caroline Street Hetton, Pallion, Sunderland and Deptford Terrace, Sunderland which will protect 182 (39, 97 and 46 respectively) properties from internal flooding. Funding has been secured from the Environment Agency for the delivery of the works which will contribute positively to the City Plan objectives of a Dynamic and Healthy City.

- 5.2 The value of the three contracts are each estimated to exceed £500,000, therefore in accordance with the Council's Procurement Procedure Rules, Cabinet approval is required prior to commencing the procurement process.

6.0 Alternative Options

- 6.1 No alternative proposals are submitted for consideration as in accordance with the Council's Constitution approval from Cabinet is required to procure the works. Additionally, if the works were not to be undertaken then the 182 properties in the three areas will remain at risk of flooding.

7.0 Relevant Considerations/Consultations

- (a) **Financial Implications** - The total cost estimate for these works is £3.625m which will be fully funded from the Environment Agency's Grant in Aid funding. The cost estimate is based on recent schemes of a similar nature and includes a 30% risk contingency.

In accordance with the Council's Financial Procedure Rules, the Cabinet may authorise variations to the Capital Programme provided such variations are within available resources and consistent with Council policy. It is proposed that Cabinet authorise the proposed variation.

- (b) **Risk Analysis** – undertaking these works has some inevitable and unavoidable construction risks, which the Council will look to mitigate where possible through the contract for the works. At this stage, three main construction risks have been identified:

- (i) Weather risk/Additional Preliminary Costs
- (ii) Unforeseen ground conditions.
- (iii) Unknown Utility Services.

A 30% risk contingency has been allowed for in the cost estimates for the works.

(c) Legal Implications

The Assistant Director of Law and Governance has been consulted in relation to the proposals and her comments have been incorporated in this report.

(d) Procurement Implications

The procurement process for the works will be carried out in accordance with the Council's Procurement Procedure Rules, and public procurement law.

8.0 Impact Analysis

(a) Equalities – No equality analysis has been undertaken. The proposals are based on reducing the risk of further damage to the structures in question and will not have a disproportionate impact on any protected characteristics.

(b) Privacy Impact Assessment (PIA) – There are no privacy impacts identified as part of the strategy.

(c) Sustainability – No Sustainability Impact Filter has been produced.

(d) Reduction of Crime and Disorder – Community Cohesion / Social Inclusion – The proposals have no crime and disorder impacts.

9.0 Other Relevant Considerations

9.1 Not applicable.

10.0 List of Appendices

10.1 Appendix A – Plan showing proposed works at Caroline Street.

10.2 Appendix B – Plan showing proposed works at Pallion.

11.0 Background Papers

11.1 Not applicable.

