

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 04 April 2023

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| TITLE | Underfall Yard Sluices - Increase in Authorised Spend Following Successful EA Grant Bid | |
| Ward(s) | Hotwells and Harbourside | |
| Author: Thomas Pawley | Job title: Principal Docks Engineer | |
| Cabinet lead: Mayor Marvin Rees | Executive Director lead: John Smith; Interim Executive Director Growth and Regeneration | |
| Proposal origin: BCC Staff | | |
| Decision maker Cabinet Decision forum: Cabinet | | |
| Purpose of Report: | | |
| <ol style="list-style-type: none"> To inform Cabinet of the successful £1.75m grant bid with the Environment Agency. To authorise an increase in the spend from “up to £1.25m” to “up to £1.75m”. | | |
| Evidence Base: | | |
| <ol style="list-style-type: none"> Cabinet report “Urgent works to the Underfall Yard Sluices” was approved in December 2021. Under this report it was recommended that Cabinet: <ol style="list-style-type: none"> <i>Note the position in relation to the condition and potential works required to the Underfall Yard sluices.</i> <i>Approve the spend of up to £1.25m for works to the Underfall Yard sluices as outlined in this report.</i> <i>Authorise the Executive Director Growth and Regeneration in consultation with the Mayor to submit a funding application to the Environment Agency for up to £1.25m.</i> <i>Authorise the Executive Director, Growth and Regeneration, to accept and spend the funding to undertake works to the Underfall Yard sluices as outlined in this report, to include the procurement and award of contracts up to the value of the funding received and to include decisions above the key decision threshold.</i> <i>Approve the reallocation of up to £0.7m Capital expenditure funding from the existing Highways capital budget.</i> At the time of writing the cabinet report, BCC didn’t have all the information required for the Outline Business Case (OBC) for the Environment Agency (EA), and it was estimated that the maximum grant BCC could get was up to £1.25m. The OBC was then prepared to support the grant application and showed a strong case for the work to be fully funded by grant in aid. Construction costs are estimated to be £919k, with eligible costs incurred to date of £50k. However, when risk and optimism bias is accounted for, the total project costs are estimated at £1.75m. Following this, at EDM in July 2022 a subsequent report was submitted and a decision (Decision Log Ref GR-D-205) was made to increase the bid to the EA by £500k. In February 2023 BCC received confirmation that our bid with the EA was successful for £1,750,252, which includes a contingency of £781,121. This means that the works will be fully funded by the EA. As the grant amount from the EA is now fully known, the amount we have approval to spend now needs to be updated accordingly. | | |

Cabinet Member / Officer Recommendations:

That Cabinet:

1. Note the previous Cabinet approval in December 2021.
2. Approve the increase in the spend to up to £1,750,252 for works to the Underfall Yard sluices.
3. Authorise the Executive Director Growth and Regeneration in consultation with the Mayor to take all steps required to accept and spend the funding of up to £1,750,252 (including procuring and awarding contracts over the key decision threshold) for works to the Underfall Yard sluices as outlined in this report.

Corporate Strategy alignment:

1. The floating harbour is a quintessential part of the city, of which the Underfall Yard sluices are one of the key components. Ensuring that the sluices are in their best possible condition is critical for us to deliver our corporate strategy.

City Benefits:

1. By increasing the spend amount, all works to sluices will be achievable.

Consultation Details:

1. The BCC Flood Management Team have been in engagement with the EA.

Background Documents:

1. Underfall Yard Decision Details - <https://democracy.bristol.gov.uk/ieDecisionDetails.aspx?ID=1200>.

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| Revenue Cost | £0 | Source of Revenue Funding | None |
| Capital Cost | Up to £1,750,252 | Source of Capital Funding | EA Grant |
| One off cost <input checked="" type="checkbox"/> | Ongoing cost <input type="checkbox"/> | Saving Proposal <input type="checkbox"/> | Income generation proposal <input type="checkbox"/> |

Required information to be completed by Financial/Legal/ICT/ HR partners:**1. Finance Advice:**

- a. The docks sluices at Underfall Yard are not operating correctly and need investment to repair and prevent potential flooding, damage to the dock's infrastructure and local businesses.
- b. This issue has required urgent action and discussion with the Environment Agency (EA) to assess the problem and funding available.
- c. Initial funding estimates suggested that the EA would provide BCC with grant funding up to £1.25m.
- d. Following further discussions with EA, the grant funding has now been increased by £0.5m, with up to £1.75m available to fully fund the project.
- e. The reallocation of up to £0.7m Capital expenditure funding from the existing Highways capital budget is no longer required.
- f. The project will have several risks, including:
 - * The risk that unforeseen work and additional costs could be uncovered once work on the site commences.
 - * The timescales to complete the work and secure the grant funding from the EA.
 - * The risk of obtaining the specialist materials and parts needed to complete the project in the timescale.
 - * Damage to the docks, surrounding infrastructure and businesses, if the sluice gates fail and flooding occurs, during the project.
 - * Reputation damage to the Council, potential legal and insurance costs associated.
- g. These risks will need to be managed closely by the Service. There has been some allowance and contingency for the financial risks in the grant.
- h. Project delivery will also require strong contract management to ensure materials, timescales and funds are maximised leading to less risk of physical and reputational damage and the associated costs of this.

Finance Business Partner: Kayode Olagundoye, Interim Finance Business Partner, Growth and Regeneration, 8th March 2023.

2. Legal Advice: The submission of the bid for grant funding does not raise any specific legal implications. The procurement process to spend the funding must be conducted in line with the 2015 Procurement Regulations and the Councils own procurement rules. Legal services will advise and assist officers with regard to the conduct of the

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| procurement process and the resulting contractual arrangements. | | |
| Legal Team Leader: Husinara Jones, Team Manager/Solicitor - 28 February 2023. | | |
| 3. Implications on IT: As critical outdated IT infrastructure is to be replaced as part of these works, IT are supportive of this program. | | |
| IT Team Leader: Alex Simpson, Senior Solution Architect – 3 March 2023. | | |
| 4. HR Advice: There are no HR implications evident. | | |
| HR Partner: Celia Williams, HR Business Partner – Growth and Regeneration – 27 February 2023. | | |
| EDM Sign-off | Stephen Peacock, Executive Director Growth and Regeneration | 1 March 2023 |
| Cabinet Member sign-off | Mayor's Office | 2 March 2023 |
| For Key Decisions - Mayor's Office sign-off | Mayor's Office | 6 March 2023 |

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| Appendix A – Further essential background / detail on the proposal Urgent works to the Underfall Yard Sluices – Decision Pathway Report – 14th December 2021 | YES |
| Appendix B – Details of consultation carried out - internal and external | NO |
| Appendix C – Summary of any engagement with scrutiny | NO |
| Appendix D – Risk assessment | YES |
| Appendix E – Equalities screening / impact assessment of proposal | YES |
| Appendix F – Eco-impact screening/ impact assessment of proposal | YES |
| Appendix G – Financial Advice | NO |
| Appendix H – Legal Advice | NO |
| Appendix I – Exempt Information | No |
| Appendix J – HR advice | NO |
| Appendix K – ICT | NO |
| Appendix L – Procurement | NO |