

LOWER SEVERN (2005) INTERNAL DRAINAGE BOARD

# Extraordinary Board Meeting

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Wednesday 23rd December 2020

**Virtual Meeting  
10am**

**MEETING: Full Board**

**MEETING DATE: 23.12.2020**

**REF: KW/B/2020**

**REPORT BY: Principal Officer**

### **Elmore Back Pump Station Update**

#### **Introduction**

At the Engineering Committee and Finance and General Purposes Committee meetings held on 16 December 2020 the circumstances surrounding an additional £200k requirement for the Elmore Back Pumping Station renewal was discussed. Minute extracts from both meetings appear below.

#### **Engineering Committee Meeting – 16<sup>th</sup> December 2020 – Minute 3136** **Elmore Back Pumping Station Update**

The CE informed Members that tenders had been issued to 4 contractors; 2 had responded. The sums contained in both bids reflected a significant increase in expenditure.

The CE explained that this was due to:

- Little information available including an absence of drawings this resulting in extensive surveys.
- Delayed pre-application planning advice that planning permission was not required to remove the existing structure.
- The EA fish pass consent has not yet been received, though expected imminently.
- EA requirement that larger pumps were required resulting in additional works to upgrade the power supply to the site.

In order to minimise the financial impact on ratepayers, Officers proposed that the Capital Programme be pushed back by one year. This would also provide more time for comprehensive cost assessments, with professional QS assistance, resulting in more accurate forecasts for the remainder of the pump replacement programme.

The LDE added that whilst this was a significant increase the pumps that were being installed were able to pump at a larger capacity at a higher head and this would futureproof the pumps dealing with increasing water levels owing to climate change. He also advised Members that 50% of the cost of the pumps and screens had already been paid and parts required from outside the UK had been sourced early in order to avoid any potential issues arising from Brexit.

Richard Betteridge, the Director of Motion Consultants agreed with the Engineers and explained that the size of this project was a first for the Board and whilst Saul had gone relatively smoothly, Elmore Back had presented more challenging issues owing to its complexity. Members heard that considerable time had been spent in analysing and modelling the catchment. He confirmed his confidence in the revised figure of £700k the LDE and CE had presented. Mr Betteridge stated that his role was to act impartially and fairly for the Board with the appointed contractor.

Cllr Riddle commented that that it was important to fully understand the overspend as it may impact and have consequences on future pump replacements.

Mr Simms expressed concern that this overspend had occurred and felt it was important that lessons were learnt from this and taken forward.

The Chair agreed but pointed out that at this meeting it was important for Members to focus on the outcomes for the Elmore Back scheme.

In response to a question from Mr Hyslop, Richard Betteridge confirmed that the pumps would be inoperable for the shortest amount of time possible and there was a contingency for over pumping in the budget. Exact timings could be provided once the contract had been awarded and project timings discussed.

In response to a question from Cllr Riddle, the CE advised that although the UK had left the EU, the Eel Regulations 2010 remain part of UK law.

Cllr Riddle also asked if depreciation on buildings could be changed from 25 years to 40 years based on current life span of pump stations surpassing 40 years. Members agreed.

Mr Godwin requested that the pump station work was completed at the most appropriate time of year, taking into account rainfall and high tides. Richard Betteridge and the LDE confirmed that these were considerations and that whilst the weather can be unpredictable, works would be carried out to minimise any potential disruption.

The LDE confirmed, in reply to Mr Hyslop, that electrical works would be completed in conjunction with the pump replacement.

Cllr Riddle thanked the CE, LDE and Motion for all their efforts so far in respect of the pump replacement programme

**It was recommended that:**

- **A Board meeting be held on the 23<sup>rd</sup> December 2020 to approve the alterations to the Capital Programme**
- **The Committee recommends to the Board that the alterations be accepted by the Board**
- **The Committee recommends that the Board approve the increase in expenditure for Elmore Back Pump station to £700k**
- **The depreciation for the pumping stations is applied on a straight line basis over 40 years for new buildings and 15 years for the pumps and electrical equipment.**
- **Officers be requested to produce a project review report for consideration at the next Engineering Committee meeting addressing the issues encountered in the Elmore Back scheme and containing recommendations for improved project management in respect of the remaining pumping station replacements.**

## **Finance and General Purposes Meeting – 16<sup>th</sup> December 2020 – Minute 3148**

### **Elmore Back Pumping Station Update**

Mr Barnes advised Members that at an earlier Engineering meeting an overspend of £200k at Elmore Back had been discussed. Whilst accepting the significant impact on the Board's finances, the Engineering Committee had recommend the following:

- **A Board meeting be held on the 23<sup>rd</sup> December 2020 to approve the alterations to the Capital Programme**
- **The Committee recommends to the Board that the alterations be accepted by the Board**
- **The Committee recommends that the Board approve the increase in expenditure for Elmore Back Pump station to £700k**
- **The depreciation for the pumping stations is applied on a straight line basis over 40 years for new buildings and 15 years for the pumps and electrical equipment.**
- **Officers be requested to produce a project review report for consideration at the next Engineering Committee meeting addressing the issues encountered in the Elmore Back scheme and containing recommendations for improved project management in respect of the remaining pumping station replacements.**

The Chairman expressed concerns in respect of the impact on the Boards Finances and felt that in light of this an increase in the rate of at least 5% should be considered for 2021/2022.

Mr Simms agreed and felt it imperative that Members had confidence in and understanding of the figures they were making decisions upon. He felt that it would also be important to review how this overspend came about including recommendations to avoid any future re-occurrence.

In response to Mr Littleton's question, the PO confirmed that the pump replacement programme would need to be extended by a year to absorb costs. He was confident that, whilst this wasn't ideal, a further 1-year extension would be approved by the EA.

Mr Hore also expressed his concerns on this overspend and agreed that it was important that there was understanding of its impact going forward.

Cllr Riddle advised Members that a review report could not be expected to be ready for a meeting next week and that it would be sensible to arrange an Engineering Committee meeting early next year to review the findings.

The Chairman suggested that it would be prudent for a joint meeting with the Engineering Committee in January 2021 as both Committees were significantly impacted.

#### **It was resolved that:**

- **The Finance and General Purposes Committee request a joint meeting with the Engineering Committee in January next year to discuss the Elmore Back review report recommended by the Engineering Committee.**

#### **It was recommended that:**

- **The Board approve the increase in expenditure for the Elmore Back scheme to £700k.**