

Somerset Rivers Authority Board Paper

River Sowy-King's Sedgemoor Drain (KSD) Enhancements Scheme progress report

RECOMMENDATIONS

The Somerset Rivers Authority (SRA) Board is asked:

- 1) To note that forecast final costs of building the environmental mitigation structures is below the budget allocation.
- 2) To raise the allocated budget for the main channel construction contract from £1.5 million to £2.5 million to cover expected costs and the necessary contingency.
- 3) To note that construction of the Dunball Smoothing project will be scheduled for 2022-23, pending full Board approval.

Purpose of the item

To update the Somerset Rivers Authority (SRA) Board on the progress of the River Sowy-King's Sedgemoor Drain (KSD) Enhancements Scheme and consider budgeting requirements.

Background and Context

The SRA Board has previously approved Phase One of the Sowy-KSD scheme that comprises: raising low spots in banks, forming new banks where they don't exist at present, some excavation to river banks and upgrade-works to certain structures on side streams. This phase is a step towards the full scheme that would allow the Sowy to take greater flows when it is under managed conditions during a flood. The structures improved on the side streams will enable good water level management in accordance with the Mitigation Action Plan (MAP) that is currently being worked through with landowners.

The project has numerable constraints due to its location, such as; avoiding disturbance to overwintering birds, avoiding disturbance to ground-nesting birds in spring/summer, protected species (badger, vole, reptiles, otter), peatland and battlefield archaeology and soft ground.

Mitigation Structures

A total of 89 structures being rebuilt or renovated at Moorlinch, Westmoor and Egypt's Clyse are now substantially complete. Only six late scope amendments (these included three new structures) remain to be completed on Westmoor RWLA. The forecast out-turn cost of completing the mitigation structures is £855,619, which is within the allocation. This work is essential to ensure the channel enhancements are legally compliant.

Channel Enhancement Works

The Environment Agency team and its contractor have been working to find ways to overcome the constraints and risks associated with construction in this challenging environment. However, it has become clear that the first phase scheme cannot be built for the currently allocated construction budget of £1.5 million. The combination of working in soft ground, protecting archaeology, environmental management and a restricted working window have meant the estimated cost has not come down to the level anticipated.

Consideration was given to reducing the scope of Phase One, that is, to complete a shorter length of channel works. However, the impact of this is either:

- Reducing benefits with costs remaining significant. The operating capacity of the channel would be that of the section(s) not completed.
- Higher costs overall to complete the scheme due to a stop-start approach.

The project team consider the most likely out-turn cost for the construction contract is £2 million. However, there will always remain risks that are outside the team's control that would cost more if they occur, namely: floods, archaeological mitigation and finds or further restrictions, finding more protected species, late-arriving consents causing inefficient construction programming, Covid-19 impacts and landowner compensation claims (eg temporary loss of grazing). The project team anticipated that these risks, that were largely identified from the outset, could be managed-out or reduced but unfortunately this was not possible. Therefore, it is the project team's recommendation that the SRA budgets for an out-turn construction cost of £2.5 million at this stage as a reasonable worst case to ensure there is suitable contingency available.

It will be clear by October 2021 what actual level of contingency will be spent such that unspent funds can be reallocated by the Board. The contract terms under which the contractor operates incentivise the contractor to continually seek cost savings.

Dunball Smoothing Works

The Board has previously given approval to develop the design of this work with the intention of delivering the project when funding became available. There was potential to deliver the works as part of the 2021-22 Enhanced Programme.

However, whilst working with our designer and contractor it has become clear that it will not be possible to get a scheme "shovel-ready" by July due to the restrictions on resources and length of time taken to achieve consents caused by Covid-19 lockdowns. Meeting a July deadline is necessary to enable construction to take place at the time of lowest flows.

Therefore it is recommended that these works are now scheduled for summer 2022 so that the Environment Agency and its suppliers have a realistic date to work to.

Summary

The completion of the Mitigation structures is a significant step in the development of the Mitigation Action Plan.

The complexities and risks of the Sowy-KSD Enhancements require an increase in the budget allocation to cover expected costs and to provide a suitable contingency.

Confirmation that Dunball Smoothing should be deferred until 2022-23 should be considered in the SRA's overall budget planning.

Recommendation**The Somerset Rivers Authority (SRA) Board is asked:**

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- 2) To raise the allocated budget for the main channel construction contract from £1.5M to £2.5M to cover expected costs and the necessary contingency
- 3) To note that construction of the Dunball Smoothing project will be scheduled for 2022/23, pending full Board approval

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