

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

22ND JANUARY, 2014

REPORT OF THE GROUP DIRECTOR, ENVIRONMENTAL SERVICES

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ALBION LOWER TIP RECLAMATION SCHEME

1.0 PURPOSE OF THE REPORT

1.1 This report advises on the current progress since gaining Cabinet approval on 22 February 2010 to progress the scheme.

2.0 RECOMMENDATION

It is recommended that:

2.1 The progress to date on the scheme is noted.

3.0 REASON FOR RECLAMATION

3.1 The reason for undertaking the proposed reclamation work on the Albion Lower Tip is the need to improve the stability of the site where significant movements were experienced in the late 1980's. Specialist drainage works were installed in and below the Lower Tip over a period since 1991 in order to arrest the active movement. These drainage measures were successful and resulted in a significant improvement in stability; these conditions are largely dependent upon the continued effectiveness of the near horizontal bored drains.

3.2 The aim of the scheme is:

- To reduce the threat to people and their property from the tip complex.
- To reduce the on-going burden of monitoring and maintenance and general liability as land owner, on the Council.
- To provide a project with a significant design life of 50 years prior to potentially any substantial further capital investment.
- To provide a project with minimal environmental impact.

4.0 BACKGROUND

4.1 Albion Lower Tip lies on a west-facing hillside, immediately east of the village of Cilfynydd at Grid Reference ST 091 924 between 95 and 170m AOD. The site has an area of 10.5 ha.

- 4.2 The Lower Tip is bounded to the east by a 15m high rock face above which is the Albion Upper Tip. This rock face is the remnant of a former quarry. Albion Colliery and the Lower Tip were first reclaimed in 1975 when colliery spoil was transported to the Upper Tip. Since this time the Lower Tip has been grazed and there were proposals for some tree planting on its lower slopes. However, these were not implemented and the grazing arrangements were terminated when significant tip movements were noted in 1990 after a period of heavy rainfall. The crest of the Lower Tip is traversed by 132kV high voltage cables between pylons, two of which lie within the site. Two 33kV power lines also cross the Lower Tip in a north to south direction
- 4.3 The Land Reclamation Section previously obtained planning consent (planning application number 51/92/0413), based on a reclamation scheme designed by Halcrow in 1994/95. The proposed scheme was to reprofile the Albion Lower Tip by the removal of some 600,000 cu.m of spoil to Cilfynydd Common where the material would be worked in conjunction with the reprofiling of the Abercynon Ropeway (NCB Tip. 159) and the Putwell Farm (NCB Tip. 106) utilising coal washing methods.
- 4.4 A revised scheme was submitted in 2002 by the Land Reclamation Section with the general concept unchanged, in that it involves the bulk removal of colliery spoil from the site and the provision of surface and sub-surface drainage. However, the scheme was no longer linked with the Cilfynydd Common and the receptor site for the excavated spoil was to be determined. Planning consent for this revised scheme was obtained in April 2004 (planning application number 02/0788/10). Although granted, the scheme required significant ecological disturbance and required a new haulage route out from the tip to be created with a predicted 120 lorries leaving the site on a daily bases for 30 weeks per year for 3 years. (54,000 movements). To implement the permission a CPO would be required for the haulage route. The revised scheme proved to be undeliverable and the permission has now lapsed.
- 4.5 On 22 February 2010, Cabinet agreed to progress an alternative scheme based on the already successful "under tip drainage". The basic elements of the scheme are re-produced below:
- a) Duration of construction contract reduced by 2 years from 3 to 1 year.
 - b) No significant access/haulage route requirements on privately owned land.
 - c) No significant off site ecological impacts
 - d) No CPO requirements (Some land entry negotiations only)
 - e) No high voltage cable diversions required
 - f) 50 year design life for active drainage extended by pre installed non active drainage
 - g) A reduced maintenance liability. No significant renewal for 50 years.
- 4.6 The current monitoring and maintenance of the tip complex is costing £30 - £40k per annum.

5.0 SCHEME PROGRESS

- 5.1 The detailed design has progressed alongside the preparation and submission of a planning application which was positively determined on 15 September 2011. The planning process has been slow due to ecological constraints found on the main body of the tip
- 5.2 Ecological constraints and their mitigation, have now been agreed with National Resources Wales. These constraints include bat roosts and reptile re-location. The timescales for these mitigation works have now been incorporated into the scheme.
- 5.3 The procurement strategy for the scheme allowed for Early Contractor Involvement (ECI). This was seen as imperative to the success of the scheme due to the high level of specialism required to install the drainage. Pre-qualification of contractors has taken place and the Phase 1 of the tender process (ECI) was completed with Alun Griffiths Ltd as the preferred principal contractor.
- 5.4 A trial bore, completed as part of the enabling works phase, proved very successful with a flow of groundwater comparable with the design flows predicted. This has allowed the construction phase design to be refined and completed to maximise the draw down of groundwater under the tip.
- 5.5 The scheme has now progressed through the ECI process with the completion of:
- The Design Development Phase.
 - The Enabling Works Phase – consisting of ecology mitigation, ground investigation and a full trial bore.
 - Initial scheme publicity – press release and newsletter.
 - A negotiated price for the Construction Phase with Alun Griffiths Ltd being agreed and contract awarded.
 - A construction programme showing completion by 30 June 2014.
 - A delegated decision to advance the scheme was given on 23 September 2013 to advance the scheme, subject to Welsh Government funding.
 - Welsh Government funding was obtained on 3 October 2013.
 - The Construction Phase Contract was awarded to Alun Griffiths Ltd on 9 October 2013 for completion by 30 June 2014.
 - Construction Phase commenced on 21 October 2013.

6.0 FUNDING

- 6.1 The Council has been successful in obtaining a grant from the Welsh Government to the amount of **£2,941,395.00** on 3 October 2013. This grant has been given pursuant to section 70 and 71(1) of the Government in Wales Act 2006 and Section 1 of the Welsh Development Agency Act 1975 (as amended) and contains some conditions/targets, the main ones detailed below:-

- The purpose of the grant is the “undertaking of a 2 stage civil engineering works contract for sub-surface drainage of Albion Tip, with the aim of securing a geotechnically stable site.”
- Target 1 – “Award enabling works contract with output of verified design and defined target cost for the main works contract”. By 27 September 2013 (as amended).
- Target 2 – “Award and complete the main contract phase with output of a verified completion and commissioning of drains”. By 30 June 2014
- Final claim to be submitted no later than 31 March 2015 at a maximum value of **£2,941,395.00**.
- The grant cannot be used for any maintenance/monitoring activities other than post construction verification (See Section 9)

6.2 The Authority has been advised by the Welsh Government that the grant is available up to a maximum of £3,000,000 for completion of the project. This allows for an additional **£58,605** to be made available if any cost increases are encountered.

7.0 ESTIMATED PROJECT OUTTURN COSTS.

7.1 The total project outturn is estimated at £2,941,395.

7.2 An allowance of £205,000 has been allowed for within the project outturn for on-going employer's risk. Although this may seem low for the value of the project, the benefits of the ECI and risk sharing process need to be considered. The enabling works and trial bore have reduced the risks substantially and £145,000 is included in the main works contract as risk items that are within the control of the principal contractor e.g. hard drill due to boulders.

8.0 PROJECT FINANCE & RISKS

8.1 Taking into consideration project outturn costs in section 7 and the funding in section 6, the project outturn cost is £58,605 below the funding available. This surplus could be used as an additional contribution to risk with the approval of the Welsh Government.

8.2 However, it should be noted that should the project costs rise above £3m that additional grant funding will not be available.

8.3 Some project risks still exist in terms of not meeting the completion target date of 30 June 2014. This may put some risk on payment of the grant but this date could be varied by agreement with Welsh Government. Initial discussions have confirmed that the critical date for the Welsh Government is the all monies claimed date of 31 March 2015.

9.0 POST PROJECT LIABILITIES

9.1 The project has been designed and specified to minimise the amount of monitoring and maintenance post 31 March 2015. However, there will be an ongoing requirement to maintain and monitor the new infrastructure post 31 March 2015. Current monitoring costs are met through Welsh Government

grant funding, which is extremely unlikely to continue and will be a resultant pressure on our revenue resources.

- 9.2 Although a full monitoring and maintenance plan is yet to be finalised, it is currently envisaged that the annual average revenue commitment will be £10k - £15k. This is a considerable reduction in the £30 - £40k current expenditure.

10.0 CONCLUSION

- 10.1 The securing of the grant and the delivery of this project will considerably reduce our liability as land owner of this site. Taking into consideration the successful trial bore and the project funds available, the next stage of the project will continue with a relatively low risk of non-delivery and low financial risk to the Council.
- 10.2 The completion of the project will reduce the annual average revenue commitment from £30-40k to £10-15k.

