

CAMPBELTOWN FLOOD PROTECTION SCHEME

1. EXECUTIVE SUMMARY

- 1.1 This report provides an update on progress with the Campbeltown Flood Protection Scheme (CFPS), including the funding position and makes recommendations in order for the project to progress.
- 1.2 The report provides details on the strategic fit, options appraisal, commercial aspects, affordability, achievability and risks associated with the project.
- 1.3 The Committee is asked to:
- Approve the invitation to tender for the Construction of the main flood scheme and Supply and installation of property flood resilience measures.
 - Note a paper detailing the full Business Case will be brought back to EDI Committee in September 2021. Construction of the final scheme will be subject to approval of Full Business Case prior to tender award.

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2. INTRODUCTION

- 2.1 This report provides an update on progress with the Campbeltown Flood Protection Scheme (CFPS), including the funding position and makes recommendations in order for the project to progress.

3. RECOMMENDATIONS

- 3.1 The Committee is asked to:
- Approve the invitation to tender for the Construction of the main flood scheme and Supply and installation of property flood resilience measures.
 - Note a paper detailing the full Business Case will be brought back to EDI Committee in September 2021. Construction of the final scheme will be subject to approval of Full Business Case prior to tender award.

4. DETAIL**Background**

- 4.1 The Environment, Development and Infrastructure (EDI) Committee on 5 December 2019 confirmed the Campbeltown Flood Protection Scheme with modification and recommended to Council to approve additional budget to take the project to tender readiness.
- 4.2 On 28 January 2020 the Council submitted, in accordance with Regulation 14 (2) of the Flood Risk Management (Flood Protection Schemes, Potentially Vulnerable Areas and Local Plan Districts (Scotland)) Regulations 2010, a request for Scottish Ministers to direct that deemed planning permission be granted to Campbeltown Flood Protection Scheme (CFPS). In line with Section 65 of the Flood Risk Management (Scotland) Act 2009, Scottish Ministers directed, under Section 57 of the Town and Country Planning (Scotland) Act 1998, that planning permission for the development is deemed to be granted, subject to conditions.
- 4.3 Confirmation Notice was issued from 15 May 2020 to 26 June 2020 inclusive, in accordance with paragraph 11 of Schedule 2 of the Flood Risk Management (Scotland) Act 2009. CFPS became operative six weeks after Notice of its confirmation was first published in a locally circulating newspaper, as is required under paragraph 10(2)(d) of Schedule 2 of the above Act, as no appeals in accordance with paragraph 12 of Schedule 2 of

the above Act were made against the Scheme in the period of the Confirmation Notice.

- 4.4 CFPS is the first scheme being promoted in Argyll and Bute under the Act and has received £3.972m of Scottish Government funding to date. The scheme is estimated to cost £9.330m and this would be 80% funded by the Scottish Government (£7.464m) and 20% by Argyll and Bute Council (£1.866m).
- 4.5 Full details of the proposed scheme are available at <https://www.argyll-bute.gov.uk/consultations/campbeltown-flood-prevention-scheme>. In outline the CFPS scheme comprises formation of a flood storage area in existing farmland south of the Snipefield Industrial Estate which would temporarily store water in extreme flood events. The flood storage area will be formed by construction of a combination of flood walls and bunds. In combination with this flood storage area, the existing culvert from the reservoir up to the Balgreggan intake would be upsized to improve flow capacity. Coupled with these major flood alleviation elements the scheme includes for localised urban drainage improvements in the Burnside and Meadows areas to reduce pressure on existing combined network, and some local property flood resilience measures.
- 4.6 Significant consultation has been undertaken during development of the scheme with stakeholders. This has included statutory stakeholder workshops with Scottish Water, SEPA and Scottish Natural Heritage to discuss section of the preferred scheme. We have also had significant consultation with the local community during the scheme development. The level of engagement has been successful with only three objections to the scheme from affected land owners. These were resolved successfully with minor amendments to the design and the scheme noticed again as modified. We will continue to engage with the local community as the scheme progresses particularly when planning construction work.

Strategic Fit

- 4.7 The scope of this project is to fulfil objectives agreed and endorsed by Argyll and Bute Council, SEPA and Scottish Ministers in the Highland and Argyll Local Flood Risk Management Plan 2016-2022 (LFRMP). The objectives include but are not limited to those shown in the table below.

Objective	Indicator
Avoid an overall increase in flood risk	350 residential properties *£0.483m annual average damages
Reduce overall flood risk	350 residential properties *£0.483m annual average damages
Reduce flood risk in Campbeltown from river flooding and Reduce risk from surface water flooding in Campbeltown	560 people *£0.104m annual average damages from residential properties *£0.353 annual average damages from non-residential properties 2 emergency services

**Annual average damages are expected to increase with climate change.*

Options Appraisal

- 4.8 The EDI Committee on 5 December 2019 confirmed the recommended option to be taken forward and 9 options were taken forward to full options appraisal.
- 4.9 Efforts have been made to develop an integrated scheme for Campbeltown, combining flood study and surface water management methodologies so that flooding from different sources can be addressed in a cohesive scheme compared to a traditional solve of one source at a time. This was encouraged with strong support from SEPA and Scottish Water. The short listed options were then developed and appraised.
- 4.10 The appraisal has allowed AECOM to assess the options against each other so that decisions about the most sustainable options were made on the basis of the appraisal of economic, social and environmental impacts, whole life costs and consideration of risk and uncertainty, both present and future.
- 4.11 Flood protection solutions on the Balegreggan and Witchburn catchments, and other measures such as property flood protection for purely fluvial flooding have been ruled out largely on the basis of potential to reduce cost damages relative to capital cost of these solutions.

Commercial Aspects

- 4.12 The economic appraisal has been used to assess the monetised benefits of each option, with regards to damages avoided. This was carried out in accordance with Scottish Government guidance and over a 100 year period. This reflects the standard physical life (with maintenance) of a conventional flood scheme and allows benefits to be assessed over the lifetime of the scheme.
- 4.13 The damages avoided represent the next 100 years if no intervention takes place to reduce the risk of flooding. The monetised damages consider direct damage to residential and non-residential properties, vehicles, evacuation, distributional impacts relation to account for the social vulnerability of the area, indirect impacts on non-residential properties, emergency costs and health and well-being. The non-monetised impacts include flooding of roads and associated disruption, risk to life, damage to key community assets and pollution of watercourses.
- 4.14 The table below summarises the economic benefits.

Description	Millknowe Storage and Dalaruan Upsize	SuDS REtorfit with storage at Meadows and Burnside	PFP Saddell Street/John Street/Lochend Street
Damages Avoided	£4.887m	£3.354m	£0.291m
Whole Life Costs (Construction and Maintenance)	£4.753m	£3.316m	£0.285m
No, of Properties with flood risk betterment	163	75	21
Benefit-Cost Ratio	1.03	1.01	1.02
Non-monetised economic benefits	Reduction of flood depths on carriageways including Millknowe Road, Lady Mary Row, John Street and Saddell Street. Reduced costs of road repair and reduced costs associated with disrupted access Reduced flooding at amenity space at Kinloch Park – reduced maintenance costs	Reduced extent and depth of flooding on Longrow carriageway – reduced costs of road repair, costs associated with disrupted access particularly in this key business hub	Reduced cost of emergency recovery grants during flood events

Affordability

4.15 The Scottish Government is expected to fund 80% of scheme costs up to a total project cost of £9.330m, resulting in Scottish Government funding £7.464m and the Council funding £1.866m. Funding of £3.972m has already been received from Scottish Government and the Council has approved funding of £0.460m which is built into the current capital plan. The Council have also set aside the remainder of its 20% funding share (£1.406m) from the loans fund review gain which can be released subject to full business case.

4.16 The table below summarises the funding:

	As at end of 2020-21	2021-22	Future Years	Total
<i>Funding in capital plan</i>				
SG received	603	125	0	728
ABC approved funding	460	0	0	460
Total Funding in Capital Plan	1,063	125	0	1,188
<i>Funding still to be allocated or received</i>				
SG received but not allocated yet	3,244			3,244
SG funding still to be received			3,492	3,492
ABC Funding still to be released from loans fund review gain			1,406	1,406
Total Funding still to be allocated or received				8,142
Total Funding				9,330

4.17 Flood risk management measures require ongoing maintenance to ensure the system remains in good working order and the design life of the system is extended as long as possible. Maintenance costs will be fully borne by existing flooding revenue budgets and have been considered as part of the whole life business case.

Achievability

4.18 The project will continue to be delivered by Infrastructure Design together with the previously appointed Principal Designer (AECOM). The team has been in place since 2017 and is not only well experienced in work of this nature but has significant understanding of the needs of the scheme. AECOM will continue to work with the Council to supervise and manage construction contracts until project completion.

4.19 For the scheme to reach completion a further two externally sourced contracts are required to be awarded for:

- Construction of the main flood scheme
- Supply and installation of property flood resilience measures.

4.20 A Route 3 Restricted Tender process was selected to recommend a works contractor with proven experience in this type of construction. The Single Procurement Document (SPD) was published to Public Contract Scotland (PCS) in April 2021, with evaluation and selection of tenders being completed in May 2021. This is being completed in preparation of approval

to issue the Invitation to Tender (ITT), with evaluation stages to be completed prior to the Full Business Case (FBC) approval.

- 4.21 A Route 3 Open Tender process was selected to recommend a services contractor with proven experience in the supply and installation of property flood resilience measures. The SPD and ITT will be published to the PCS in June 2021, with selection and evaluation stages being completed prior to the FBC approval.
- 4.22 An application will be made to SEPA for a Controlled Activities Regulations (CAR) license in May 2021 for the construction of the impounding structure and associated flood walls. It is anticipated that this will be in place prior to tender award.

Risk

- 4.23 If the scheme is not progressed as per the LFRMP, the Council will forfeit potential for 80% funding from the Scottish Government and may require to reimburse SG those funds already provided expressly for this purpose.
- 4.24 If we do not proceed, this would potentially negatively and financially impact all other current LFRMP actions from future execution.
- 4.25 Granted Planning Permission will expire on 30 April 2023, unless the development has been started.
- 4.26 Land Compensation – Consultation has been completed with affected landowners. Estates are currently negotiating compensation arrangements for acquisition and rights of access.
- 4.27 Abortive Fees – If the scheme is not progressed the Council will be liable for legal fees incurred by land owners to date. This is currently estimated to be £75k.
- 4.28 Property Flood Resilience (PFR) – Property owners in receipt of funding for PFR measures will be required to sign a legal agreement, which sets out procedures for the works and acceptable obligations for the Council.
- 4.29 SEPA Controlled Activities Regulations – SEPA notified the Council on 4th May 2021 that CAR applications are now being accepted. There are possibility of delays in the application process due to the backlog since their December 2020 cyber-attack.

5. CONCLUSION

- 5.1 The work to progress CFPS has been going well and the project has been assessed based on strategic fit, affordability, achievability and risk and subject to all necessary licences being granted, can move forward to issue the invitation to tender.

6. IMPLICATIONS

- 6.1 Policy – Works are in accordance with the Local Flood Risk Management Plan 2016-2022 as endorsed by Council. Local Authorities have powers under Flood Risk Management (Scotland) Act 2009 “to manage flood risk and to take forward a flood protection scheme.” The Campbeltown Flood Protection Scheme would enable Argyll and Bute Council to enact this power under the Flood Risk Management Policy.
- 6.2 Financial – The Scottish Government will fund 80% of the project cost with 20% required from the Council up to a maximum contract value of £9.330m. Some of the Council’s 20% share is included within the current capital plan, with the remainder set aside from the loans fund review gain reported to Council in February 2020. .
- 6.3 Legal – Please see section 4.26 – 4.28.
- 6.4 HR – None
- 6.5 Fairer Scotland Duty:
- 6.5.1 Equalities – None
- 6.5.2 Socio-Economic Duty – The key areas in Campbeltown at risk of flooding (Millknowe Road, Saddell Street, Longrow etc.) are in areas of average and relatively high social vulnerability. This, paired with the risk of flooding, results in relatively high and acute flood disadvantage respectively. Wider benefits are therefore an important consideration of the scheme. The scheme will achieve multiple benefits which have not been explicitly costed but will add significant value to the scheme from a socio-economic and environmental perspective. These were considered qualitatively as part of the options appraisal process to select a fully sustainable scheme. The wider benefits associated works are as follows:
- Reduction of flooding would reduce social disadvantage
 - Improved local resident’s health and wellbeing by reducing stress associated with flooding
 - Reduced risk of flooding at the police and fire stations.
 - Reduced flooding within the Campbeltown Conservation Area which is home to a number of Listed Buildings maintain cultural heritage of the area for future.
 - Reduced risk to community assets including Tesco Metro, Kinloch Bar, Kinloch Park, Kinloch Park football pitches
 - Reduced risk to key roads within Campbeltown improving accessibility for residents and emergency services during storms
 - Greater community engagement in understanding flood risk
 - Reduced load on the sewer network therefore reduced risk of manhole flooding and associated health impacts
 - Reduced load on sewer network therefore reduced risk of pollution to waterbodies associated with the combined sewer network

- Reduce load on the combined sewer network and associated health risk from this flooding
- Reduced risk of damage to sewer assets through overloading
- Improved landscape character in the Meadows through addition of detention basins and landscape scheme
- Improved water quality in the Witch Burn associated with treatment of surface water at filter drains and detention basins in the Meadows
- Improved water quality in Campbeltown Loch through reduced likelihood of Combined Sewer Overflow spills
- Improved habitat for wildlife through construction of detention basins

6.5.3 Islands Duty – None.

6.6 Please see section 4.23 to 4.29,

6.7 Customer Service – None

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10 May 2021

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For any further information, please contact either Jim Smith (Head of Service, Elsa Simoes (Infrastructure Design Manager) or Michael Jones (Graduate Engineer)

APPENDICES

Appendix 1 – Project Programme
Appendix 2 – Project Risk Register