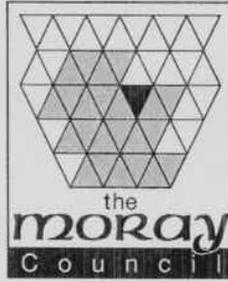


NOT TO BE REMOVED



## THE MORAY COUNCIL

### FLOOD ALLEVIATION SUB-COMMITTEE

WEDNESDAY 20 OCTOBER 2010

**NOTICE IS HEREBY GIVEN** that a Meeting of **THE MORAY COUNCIL FLOOD ALLEVIATION SUB-COMMITTEE** is to be held within the Council Chambers, Council Office, High Street, Elgin on Wednesday 20 October 2010 at 2.00pm.

*A Mearns*

*R* Roderick D Burns  
Chief Legal Officer

13 October 2010

#### BUSINESS

1. Sederunt
2. Declaration of Group Decisions and Members Interests\*
3. Written Questions\*\*

#### **PERFORMANCE MANAGEMENT**

4. Elgin Flood Alleviation Scheme: Progress – Report by Director of Environmental Services
5. Forres (River Findhorn & Pilmuir) Flood Alleviation Scheme: Progress – Report by Director of Environmental Services
6. Forres (Burn of Mosset) Flood Prevention Scheme: Progress – Report by Director of Environmental Services

7. Rothes Flood Alleviation Scheme: Progress – Report by Director of Environmental Services
8. Moray Flood Alleviation Schemes: Financial Monitoring Summary – Report by Director of Environmental Services

#### **OTHER MATTERS**

9. Question Time\*\*\*

#### **Summary of the Flood Alleviation Sub-Committee Functions:-**

The remit of the Sub-Committee is to provide direction over and to monitor the progress of Flood Prevention Schemes in Moray under the Flood Prevention (Scotland) Act 1961 and in particular to approving the Scheme brief, confirming the resources required, confirming the Scheme tolerances and approval the Project Initiation Document (or equivalent). To consider matters of strategic importance, capital expenditure, statutory consents and to give recommendations on these to the Environmental Services Committee, Policy Committee and Moray Council where appropriate. As each Scheme progresses, the Sub Committee gives direction and guidance to the Project Manager, reviews the status of each Scheme at each stage and approves progress to the next stage of each Scheme, monitors the progress of each Scheme and that it's achieving the milestones set out in the business case or justification for the Scheme, approves changes to any Scheme and the business case for any Scheme and reviews and approves any exception plans. At the end of each Scheme the Sub Committee reviews and confirms whether it has been delivered satisfactorily, confirms that each Scheme is operational and operational responsibility has been handed over and confirmed, approves the end of project report, any "lessons learned" report and the post project review report, authorises project closure for each Scheme and to scrutinise progress on the Flood Alleviation Schemes within Moray and report to the Council on progress.

**THE MORAY COUNCIL**  
**FLOOD ALLEVIATION SUB-COMMITTEE**

**Sederunt**

**Councillor J G Russell (Chair)**  
**Councillor L A Bell**  
**Councillor J A Divers**  
**Councillor J C Hogg**  
**Councillor I Ogilvie**  
**Councillor P B Paul**  
**Councillor D Ross**  
**Councillor M Shand**  
**Councillor D C Stewart**

**Councillor G McIntyre (Convener)(Ex-Officio)**  
**Councillor A Wright (Depute Convener) (Ex-Officio)**

<b>Contact Person:</b>	<b>Mr D Westmacott</b>
<b>Telephone:</b>	<b>01343 563087</b>
<b>Room No:</b>	<b>104</b>

## GUIDANCE NOTES

\* **Declaration of Group Decisions and Members Interests** - The Chair of the meeting shall seek declarations from any individual or political group at the beginning of a meeting whether any prior decision has been reached on how the individual or members of the group will vote on any item(s) of business on the Agenda, and if so on which item(s). A prior decision shall be one that the individual or the group deems to be mandatory on the individual or the group members such that the individual or the group members will be subject to sanctions should they not vote in accordance with the prior decision. Any such prior decisions will be recorded in the Minute of the meeting.

\*\* **Written Questions** - Any Member can put one written question about any relevant and competent business within the specified remit not already on the agenda, to the Chair provided it is received by the Proper Officer or Committee Services by 12 noon two working days prior to the day of the meeting. A copy of any written answer provided by the Chair will be tabled at the start of the relevant section of the meeting. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

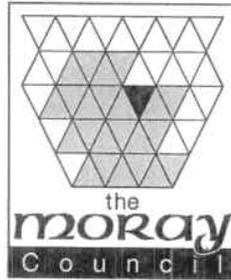
No supplementary question can be put or answered more than 10 minutes after the Council has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he or she can submit it in writing to the Proper Officer who will arrange for a written answer to be provided within 7 working days.

\*\*\* **Question Time** - At each ordinary meeting of the Committee ten minutes will be allowed for Members when any Member of the Committee can put a question to the Chair on any business within the remit of the Committee. The Member who has put the question may, after the answer has been given, ask one supplementary question directly related to the subject matter, but no discussion will be allowed.

No supplementary question can be put or answered more than ten minutes after the Committee has started on the relevant item of business, except with the consent of the Chair. If a Member does not have the opportunity to put a supplementary question because no time remains, then he/she can submit it in writing to the proper officer who will arrange for a written answer to be provided within seven working days.

# WRITTEN QUESTIONS





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**REPORT TO: FLOOD ALLEVIATION SUB-COMMITTEE ON 20 OCTOBER 2010**

**SUBJECT: ELGIN FLOOD ALLEVIATION SCHEME: PROGRESS**

**BY: DIRECTOR OF ENVIRONMENTAL SERVICES**

**1. REASON FOR REPORT**

- 1.1 To update the Sub-Committee on the progress of Elgin Flood Alleviation Scheme.
- 1.2 This report is submitted to the Sub-Committee in terms of Section G (20) of the Council's Administrative Scheme relating to the functions of the Council under the Flood Prevention (Scotland) Act 1961 as amended by the Flood Prevention and Land Drainage (Scotland) Act 1997.

**2. RECOMMENDATION**

**2.1 It is recommended that the Sub-Committee:**

- (i) **Consider the progress for Elgin Flood Alleviation Scheme for the period ending 31 July 2010; and,**
- (ii) **That the Sub-Committee report progress to the Council.**

**3. BACKGROUND**

- 3.1 The meeting of Moray Council held on 18 January 2006 (para 23 of the Minute refers) approved a revised role and remit of the Flood Alleviation Sub-Committee, which includes monitoring the progress of the Flood Prevention Schemes in Moray under the Flood Prevention (Scotland) Act 1961.
- 3.2 The meeting of this Sub-Committee held on 15 February 2006 (para 5 of the Minute refers) agreed to a revised format for reporting progress to the Sub-Committee.
- 3.3 The progress report for Elgin Flood Alleviation Scheme for the period ending 31 July 2010 is attached **at APPENDIX 1**, which is based on the programmes agreed at the meeting of this Sub-Committee on 30 November 2005 (para 9 of the Minute refers). Subsequent amendments to key milestones have been agreed as follows:

<b>Elgin Flood Alleviation Scheme</b>			
<b>Key Milestone</b>	<b>Original</b>	<b>Revised</b>	<b>Agreed by</b>
FPO Submission	Aug 2007	w/c 22-10-2007	ESC 10-10-07
Planning Application	Aug 2007	w/c 26-11-2007	ESC 10-10-07
Commence Detailed Design	Jan 2008		FASC 12-12-07
Complete Site and Works Information	August 2008	August 2009	FASC 04-02-09
Commence Target Setting	September 2008	January 2010	FASC 09-12-09
Identify Funding	January 2009	August 2010	FASC 09-12-09
Agree Terms and Start Working on Site	Aug 2008	September 2010	FASC 09-12-09
Complete Elgin FAS	Summer 2012	Spring 2014	

#### **4. SUMMARY OF IMPLICATIONS**

##### **(a) Single Outcome Agreement/ Service Improvement Plan**

- (i) Promoting flood alleviation schemes is Local Priority 7 in the Single Outcome Agreement. This is relevant to National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.
- (ii) The Corporate Development Plan 2004 – 2007 states that providing effective flood alleviation schemes is a priority, and the Community Plan reiterates this. The Departmental Service Improvement Plan sets out targets for the schemes.

##### **(b) Policy and Legal**

The proposals form part of the Council’s statutory duty in regard to Best Value, value for money and probity.

##### **(c) Financial implications**

There are no financial implications.

##### **(d) Risk Implications**

There are no risk implications.

##### **(e) Staffing Implications**

There are no staffing implications.

##### **(f) Property**

There are no property implications.

**(g) Equalities**

There are no equalities implications.

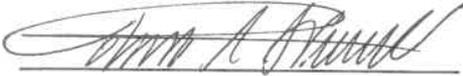
**(h) Consultations**

None.

**5. CONCLUSION**

**5.1 Progress of Elgin Flood Alleviation Scheme is generally satisfactory except the delays caused by the PLI in clarifying the Reporters requirements for additional information. Efforts will continue to mitigate the delays to maintain the Scheme completion date.**

Author of Report: Peter A Haslam, Project Sponsor, Moray Flood Alleviation  
Background Papers:  
Ref: A.16.01.04

Signature: 

Date : \_\_\_\_\_

Designation: Director of Environmental Services

Name: Robert Stewart



**Progress Report  
Executive Summary  
11 October 2010**

**ELGIN FLOOD ALLEVIATION SCHEME  
(Scheme Manager – Barbara Hellett)**

## **What have we done in the last three months?**

- Received a copy of the Report on the Public Local Inquiry. The Reporter recommends that Ministers approve the Elgin Flood Prevention Scheme 2007 with the Barmuckity land raising modification as proposed by the Council. The Scottish Government has intimated the terms of the modification to those originally notified of the Scheme and those affected by the modification and will consider any representations received by 8 November 2010. Thereafter Scottish Ministers will decide whether to confirm the Scheme.
- Continued programme of discussions with landowners affected by the Scheme. These discussions would record the extent and condition of the property, temporary arrangements during the construction phase and how the site and property would be left at the end of the works.
- Finalised street lighting requirements in areas affected by the Scheme, in particular the Pansport Bridge and Newmill Road area.
- Continued the target setting process. This involved the preparation and answering of technical queries relating to the Contract Data and Works Information, a programme workshop and a risk workshop.
- Commenced testing to ascertain the requirements for handling, storing, drying and placing of soil fill to embankments. The results of these trials will inform the target setting process.
- Continued discussions regarding the traffic management plan for the construction phase of the Scheme.
- Finalised the proposed methodology for dealing with invasive species – Giant Hogweed and Japanese Knotweed.
- Commenced design activities for the required alterations to the motocross track at Woodside.
- Undertook intrusive contaminated land investigations at Kingsmills, Grampian Road and Rhinds of Elgin.
- Planned further intrusive contaminated land investigations in consultation with TMC Contaminated Land Team and relevant landowners.
- Attended a meeting with Scottish Government representatives on 18 August 2010, to discuss funding and progress with the Flood Prevention Order.
- Submitted information on budgets, funding requirements and cashflow forecasts to the Scottish Government.
- Commenced the required Category III design check for Pansport Bridge.

**Progress Report  
Executive Summary  
11 October 2010**

**ELGIN FLOOD ALLEVIATION SCHEME  
(Scheme Manager – Barbara Hellett)**

## **Are we on time?**

- As previously reported, the programme was driven by the Public Local Inquiry (PLI). The PLI process is in its final stages, and a revised Project Execution Plan will be prepared for submission to the next meeting subject to the aforementioned statutory process. Aside from this and funding issues, the Scheme remains on schedule to start in April 2011.

## **What will we be doing in the next three months?**

- Undertake contaminated land intrusive investigations at the Historic Scotland yard, old brewery site near the Cathedral and Baillie Brothers.
- Continue the programme of discussions with landowners affected by the Scheme.
- Prepare the target price quotation. This will include a priced activity schedule, a construction programme, Contract Data Part Two and a risk schedule.
- Plan and agree the composition of the team required for the construction contract. This includes project management, site supervision, environmental issues (ecology, waste and contaminated land), cost control, health and safety management, stakeholder engagement and public relations.
- Prepare and collate information to comply with planning conditions. This includes the traffic management plan, the construction programme, the Environmental Action Plan, details of environmental barriers, locations of site compounds and details of temporary bridges crossing the River Lossie.
- Check and benchmark the target price quotation.
- Category III design check for Pansport Bridge.
- Archaeological studies to comply with planning conditions.
- Discussions with Historic Scotland to agree information to be provided to comply with planning conditions.
- Submission of CAR licence applications to SEPA.
- Hold a half-day workshop for Members of this Committee and Elgin Members to consider pre-construction planning.

## **Strategic decisions to be taken**

None at this time.

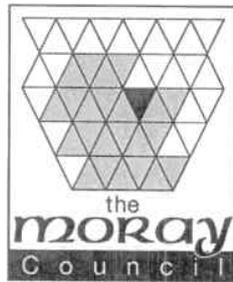
## **Are we on budget?**

**Progress Report  
Executive Summary  
11 October 2010**

**ELGIN FLOOD ALLEVIATION SCHEME  
(Scheme Manager – Barbara Hellett)**

Yes. Expenditure for 2010/11 including all costs is detailed in the Financial Monitoring Report to this meeting.





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**REPORT TO: FLOOD ALLEVIATION SUB-COMMITTEE ON 20 OCTOBER 2010**

**SUBJECT: FORRES (RIVER FINDHORN & PILMUIR) FLOOD ALLEVIATION SCHEME: PROGRESS**

**BY: DIRECTOR OF ENVIRONMENTAL SERVICES**

**1. REASON FOR REPORT**

- 1.1 To update the Sub-Committee on the progress of Forres (River Findhorn & Pilmuir) Flood Alleviation Scheme.
- 1.2 This report is submitted to the Sub-Committee in terms of Section G (20) of the Council's Administrative Scheme relating to the functions of the Council under the Flood Prevention (Scotland) Act 1961 as amended by the Flood Prevention and Land Drainage (Scotland) Act 1997.

**2. RECOMMENDATION**

**2.1 It is recommended that the Sub-Committee:**

- (i) **Consider progress for Forres (River Findhorn & Pilmuir) Flood Alleviation Scheme for the period ending 31 July; and,**
- (ii) **That the Sub-Committee report progress to the Council.**

**3. BACKGROUND**

- 3.1 The meeting of Moray Council held on 18 January 2006 (para 23 of the Minute refers) approved a revised role and remit of the Flood Alleviation Sub-Committee, which includes monitoring the progress of the Flood Prevention Schemes in Moray under the Flood Prevention (Scotland) Act 1961.
- 3.2 The meeting of this Sub-Committee held on 15 February 2006 (para 5 of the Minute refers) agreed to a revised format for reporting progress to the Sub-Committee.
- 3.3 The progress report Forres (Findhorn & Pilmuir) Flood Alleviation Scheme for the period ending 31 July 2010 is attached at **APPENDIX 1**, which is based on the programmes agreed at the meeting of this Sub-Committee on 30 November 2005 (para 9 of the Minute refers). Subsequent amendments to key milestones have been agreed as follows:

<b>Forres (River Findhorn &amp; Pilmuir) Flood Alleviation Scheme</b>			
<b>Key Milestone</b>	<b>Original</b>	<b>Revised</b>	<b>Agreed by</b>
FPO Submission	May 2007	Mar 2008	FASC 17-10-07
Planning Application	June 2007	May 2008	FASC 17-10-07
Consents and approvals	Autumn 2009	February 2011	FASC 21-04-10
Earliest Construction Start	April 2008	March 2011	FASC 21-04-10
Earliest Completion Date		May 2013	FASC 21-04-10

#### 4. **SUMMARY OF IMPLICATIONS**

##### **(a) Single Outcome Agreement/ Service Improvement Plan**

- (i) Promoting flood alleviation schemes is Local Priority 7 in the Single Outcome Agreement. This is relevant to National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.
- (ii) The Corporate Development Plan 2004 – 2007 states that providing effective flood alleviation schemes is a priority, and the Community Plan reiterates this. The Departmental Service Improvement Plan sets out targets for the schemes.

##### **(b) Policy and Legal**

The proposals form part of the Council's statutory duty in regard to Best Value, value for money and probity.

##### **(c) Financial implications**

There are no financial implications.

##### **(d) Risk Implications**

There are no risk implications.

##### **(e) Staffing Implications**

There are no staffing implications.

##### **(f) Property**

There are no property implications.

##### **(g) Equalities**

There are no equalities implications.

(h) **Consultations**

None.

5. **CONCLUSION**

- 5.1 **Progress of Forres (River Findhorn & Pilmuir) Flood Alleviation Scheme is generally satisfactory. Where progress is not aligned with the agreed programme, efforts will continue to mitigate slippage and bring the Scheme back on programme or provide satisfactory justification for why this is not possible and propose changes to the approved programme.**

Author of Report: Peter A Haslam, Project Sponsor, Moray Flood Alleviation

Background Papers:

Ref: A.16.01.04

Signature: 

Date : \_\_\_\_\_

Designation: Director of Environmental Services

Name: Robert Stewart



**FORRES (RIVER FINDHORN & PILMUIR) FLOOD ALLEVIATION SCHEME**  
(Scheme Manager – Paul Winfield)

## What have we done in the last three months?

### Consents and approvals

- Awaited planning conditions delegated to the Appointed Planning Officer by the Planning and Regulatory Services Committee on 1 June 2010.
- Awaited the findings of Public Local Inquiry. The Reporter was waiting for the planning conditions to be finalised before finalising his report.

### Detailed Design

- Experienced difficulty in arranging a meeting with Network Rail.
- Met SEPA regarding the possible relocation of the gauging station at Forres. This matter was not resolved, but is not seen as a major issue.

### Consultation

- Met with Grange Estate and their tenants to agree timing, compensation and access for archaeological investigations.
- Gave a presentation to Primary 5 & 6 age group on 28 September 2010, at Kinloss Primary School about the Forres (River Findhorn & Pilmuir) Flood Alleviation Scheme.

### Environment

- Received Scheduled Ancient Monument Consent for the archaeological investigation works from Historic Scotland on 14 September 2010.

### Health and Safety

- No specific Health and Safety issues were identified during this period.

## Are we on time?

The Scheme is on programme for detailed design, consents and approvals, but would be affected by the Public Local Inquiry.

A revision to the Project Plan will be submitted for approval when the delays caused by the Public Local Inquiry are clear. For the time being, the team is assuming the following milestones:

- Completion of Consents and Approvals – July 2011; and
- Earliest Construction Start – September 2011.

**FORRES (RIVER FINDHORN & PILMUIR) FLOOD ALLEVIATION SCHEME  
(Scheme Manager – Paul Winfield)**

## **What will we be doing in the next three months?**

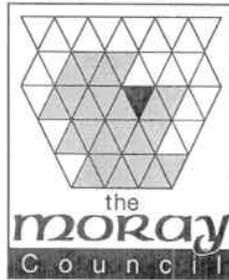
- Site works for Archaeological Investigations, once the crops have been harvested.
- Submit CAR licence application to SEPA in December 2010.
- Receive report on Public Local Inquiry.
- Liaise with utilities to review extent and costs of necessary diversion works.
- Liaise with the landowners to allow the archaeological site evaluation work to proceed this autumn in the SAM site.
- Provide information to Scottish Government on costs and expenditure profile to inform the Comprehensive Spending Review..
- Contribute to the ongoing consultation and development of accommodation works phase of the project.
- Prepare an outline programme for site works, Site Waste Management Plan and other construction specific elements in the pre-construction phase of the scheme, to aid in the ongoing landowner negotiations.
- Finalise the draft Operations and Maintenance Manual.
- Finalise the Works Information including Planning conditions, FPO conditions and any further amendments

## **Strategic decisions to be taken**

None at this time.

## **Are we on budget?**

Yes, in terms of the capital plan but overall capital cost is likely to be higher than indicated in the Capital Plan (as previously reported) following a cost review and reappraisal of risk. Most expenditure of late relates to the PLI process. Expenditure for 2009/10 including all costs is detailed in the Financial Monitoring Report to this meeting.



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**REPORT TO: FLOOD ALLEVIATION SUB-COMMITTEE ON 20 OCTOBER 2010**

**SUBJECT: FORRES (BURN OF MOSSET) FLOOD PREVENTION SCHEME:  
PROGRESS**

**BY: DIRECTOR OF ENVIRONMENTAL SERVICES**

**1. REASON FOR REPORT**

- 1.1 To update the Sub-Committee on the progress of Forres (Burn of Mosset) Flood Prevention Scheme.
- 1.2 This report is submitted to the Sub-Committee in terms of Section G (20) of the Council's Administrative Scheme relating to the functions of the Council under the Flood Prevention (Scotland) Act 1961 as amended by the Flood Prevention and Land Drainage (Scotland) Act 1997.

**2. RECOMMENDATION**

**2.1 It is recommended that the Sub-Committee:**

- (i) **Consider Monitoring Report No 16 Post Completion Report for the Forres (Burn of Mosset) Flood Prevention Scheme 2005 for June and July 2010; and,**
- (ii) **That the Sub-Committee report progress to the Council.**

**3. BACKGROUND**

- 3.1 The meeting of Moray Council held on 18 January 2006 (para 23 of the Minute refers) approved a revised role and remit of the Flood Alleviation Sub-Committee, which includes monitoring the progress of the Flood Prevention Schemes in Moray under the Flood Prevention (Scotland) Act 1961.
- 3.2 The meeting of this Sub-Committee held on 12 December 2007 (para 9 of the Minute refers) agreed to approve the format for future cost and time monitoring reports for the construction phase of the Forres (Burn of Mosset) Flood Prevention Scheme, as detailed in the Appendix to the report.
- 3.3 The Monitoring Report No 16 Post Completion Report for the Forres (Burn of Mosset) Flood Prevention Scheme 2005 for June and July 2010 is attached at **APPENDIX 1.**

#### 4. SUMMARY OF IMPLICATIONS

##### (a) **Single Outcome Agreement/ Service Improvement Plan**

- (i) Promoting flood alleviation schemes is Local Priority 7 in the Single Outcome Agreement. This is relevant to National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.
- (ii) The Corporate Development Plan 2004 – 2007 states that providing effective flood alleviation schemes is a priority, and the Community Plan reiterates this. The Departmental Service Improvement Plan sets out targets for the schemes.

##### (b) **Policy and Legal**

The proposals form part of the Council's statutory duty in regard to Best Value, value for money and probity.

##### (c) **Financial implications**

There are no financial implications.

##### (d) **Risk Implications**

There are no risk implications.

##### (e) **Staffing Implications**

There are no staffing implications.

##### (f) **Property**

There are no property implications.

##### (g) **Equalities**

There are no equalities implications.

##### (h) **Consultations**

None.

#### 5. CONCLUSION

- 5.1 **Forres (Burn of Mosset) Flood Prevention Scheme is completed other than landscaping works planned to be completed in the correct season.**

**5.2 Further Post Completion Reports will be issued until the end of the Maintenance period.**

Author of Report: Peter A Haslam, Project Sponsor, Moray Flood Alleviation

Background Papers:

Ref: A.16.01.04

Signature: 

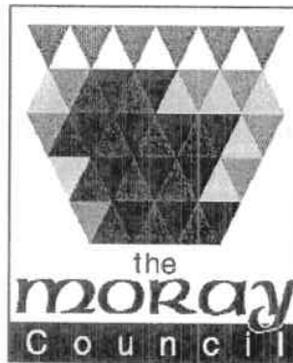
Date : \_\_\_\_\_

Designation: Director of Environmental Services

Name: Robert Stewart



ITEM: 6  
PAGE: 4



**THE MORAY COUNCIL FLOOD ALLEVIATION  
SUB-COMMITTEE**

**MONITORING REPORT NO 17  
Post Completion Report**

**PERIOD COVERED – August 2010 and September 2010**

**Forres (Burn of Mosset)**

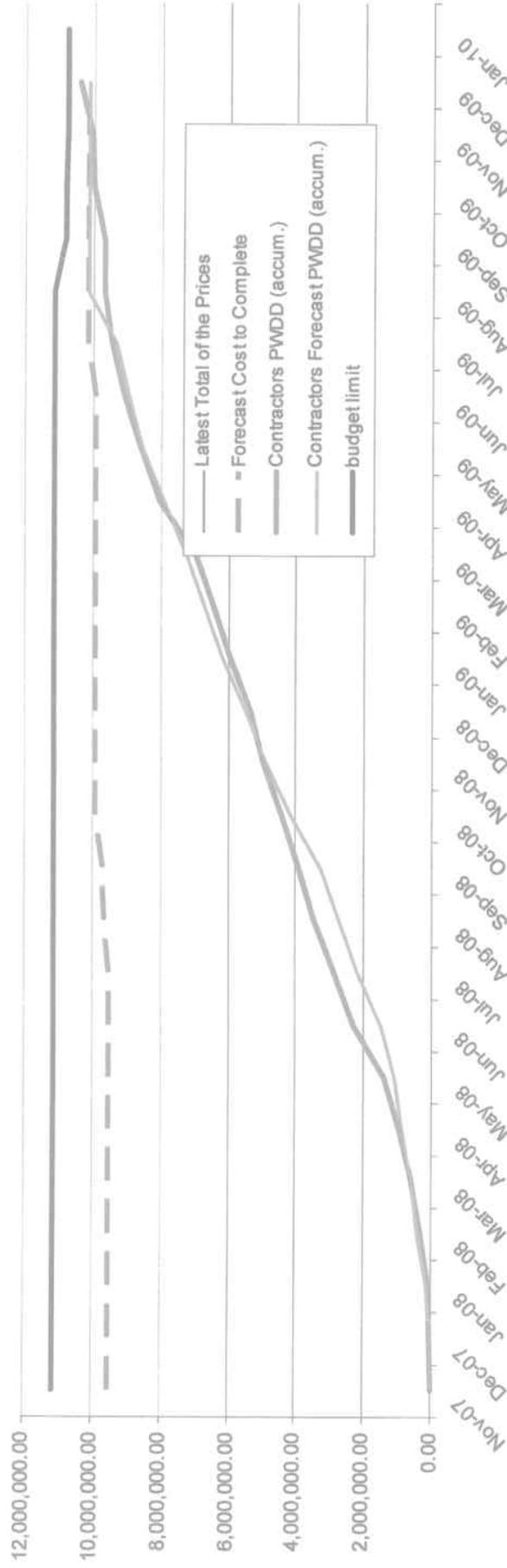
**Dave Gowans  
Project Director  
Moray Flood Alleviation  
The Wards  
Elgin IV30 6AA**

## Introduction

With the Completion Certificate issued, the original Monitoring Report format is no longer required. However, there is still a need for reporting on financial matters and progress relating to the current situation of the Project until the end of the maintenance period (12 months from Completion). The Post Completion Report will monitor and review the financial status and progress details as before but in a shorter format.

**1. FINANCIAL**

**Target v Forecast plus Contractors PWDD**



**1.1 Graphical representation of actual cost incurred against planned – For Payment No 24 (costs to end December 09 and gain share)**

No additional payments were made since No 24 as noted in the above graph. Financial Summary statement of predicted out-turn costs measured against the approved budget. Note graph may change in January 2011 following final review of Actual Cost.

ITEM: 6  
PAGE: 6

**1.2 Budget Spend**ITEM: 6  
PAGE: 1

	£ 000
Approved Scheme Construction Budget	£11,128
Risk Value returned to the Scheme Budget	<u>£ 315</u>
Revised Construction Budget	<u>£10,813</u>

Audited Target Works Cost	£ 9,508
Compensation Events - agreed	£ 1,305
Compensation Events - to be agreed	£ 0
Council Risk	<u>£ 0</u>
Revised Construction Budget	£10,813

Note – these figures will be revised when the final pain/gain calculation is made after the end of the maintenance period (January 2011).

**1.3 Final Account**

As noted in Monitoring Report No 13, the target for agreeing the Final Account was for the end of March 2010. The first part of this has been achieved with the Total of Prices being agreed at £10,812,866. Actual Cost is predicted at £9,975,971, which gives the Contractor and the Council a gain share of £418,448 each.

Audit of the Actual Cost has continued and will be reviewed in future reports (anticipated comments due December 2010).

The Contractor has identified certain recent works he has been asked to undertake as additional. We are currently in discussion and anticipate their agreement before end December.

**2. Progress**ITEM: 6  
PAGE: 8**2.1 Outstanding Works**

Tree planting and grass cutting was carried out at Chapelton.

**2.2 Contaminated Land Investigation at Mosset Tavern**

Intrusive investigations were completed and samples sent to the laboratory.

**2.3 Compensation Negotiations**

Negotiations have continued with regard to resolving compensation matters that were referred to the Lands Tribunal.

**2.4 Awards**

Notification was received that the scheme had won a Green Apple Environmental Award. The grade of award would not be known until the awards ceremony on 15 November 2010. The project was submitted for the annual Saltire Society Awards. Councillor Cree and representatives of each party will attend the awards ceremony on 28 October 2010.

**2.5 Flood Storage Event**

There was heavy rain on 23 September 2010 that resulted in storage of water. No assessment of the return period was carried out but the event was in the order of 1 in 5 year return period. There was no flooding in Forres reported.

**3. PERFORMANCE MEASUREMENT**

3.1 The results of continuous performance measures will be detailed under the following headings:

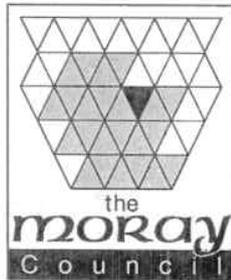
- Cost, Programme, Health & Safety, Environmental Impact and Stakeholder Satisfaction

Performance Measurement	Monitoring Report ref	01	02	03	04	05	06	07	08	09	10	11	12	13	14	15
<b>Cost; Cost of Work Actually Performed v Planned</b>	Actual v Planned >10% accurate															
	Actual v Planned +/- 10% accurate															
	Actual v Planned +/- 5% accurate															
<b>Cost; Reliability of Target Cost Setting</b>	Target Cost >10% accurate															
	Target Cost +/- 10% accurate															
	Target Cost +/- 5% accurate															
<b>Programme duration</b>	Behind Programme > 2 Weeks															
	Behind Programme 2 Weeks															
	On Programme or earlier finish															
<b>Reliability of Target Programme Setting</b>	Target Programme >10% accurate															
	Target Programme +/- 10% accurate															
	Target Programme +/- 5% accurate															
<b>Health &amp; Safety; Reportable Accidents</b>	More than 1 reportable accident															
	1 reportable accident															
	No reportable accidents															
<b>Environmental Impact; Compliance With</b>	Unsatisfactory (<75%)															
	Improvement Required (75 – 90%)	n/a														
	Satisfied (90 – 100%)															
<b>Stakeholder Satisfaction</b>	Very unsatisfactory (<75%)															
	Unsatisfactory (75 – 90%)	n/a														
	Satisfied (90 – 100%)															

**Note** – Performance Measurement on the project has now ceased. The above table reflects the historical performance relating to the Construction phase.

ITEM:  
PAGE:

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**REPORT TO: FLOOD ALLEVIATION SUB-COMMITTEE ON 20 OCTOBER 2010**

**SUBJECT: ROTHES FLOOD PREVENTION SCHEME: PROGRESS**

**BY: DIRECTOR OF ENVIRONMENTAL SERVICES**

**1. REASON FOR REPORT**

- 1.1 To update the Sub-Committee on the progress of Rothes Flood Alleviation Scheme.
- 1.2 This report is submitted to the Sub-Committee in terms of Section G (20) of the Council's Administrative Scheme relating to the functions of the Council under the Flood Prevention (Scotland) Act 1961 as amended by the Flood Prevention and Land Drainage (Scotland) Act 1997.

**2. RECOMMENDATION**

**2.1 It is recommended that the Sub-Committee:**

- (i) **Consider Monitoring Report No 12 for the Rothes Flood Prevention Scheme 2006 for August and September 2010; and,**
- (ii) **That the Sub-Committee report progress to the Council.**

**3. BACKGROUND**

- 3.1 The meeting of Moray Council held on 18 January 2006 (para 23 of the Minute refers) approved a revised role and remit of the Flood Alleviation Sub-Committee, which includes monitoring the progress of the Flood Prevention Schemes in Moray under the Flood Prevention (Scotland) Act 1961.
- 3.2 The meeting of this Sub-Committee held on 15 February 2006 (para 5 of the Minute refers) agreed to a revised format for reporting progress to the Sub-Committee.
- 3.3 The Monitoring Report No 11 for the Rothes Flood Prevention Scheme 2006 for August and September 2010 is attached **at APPENDIX 1**, which is based on the programmes agreed at the meeting of this Sub-Committee on 30 November 2005 (para 9 of the Minute refers). Subsequent amendments to key milestones have been agreed as follows:

<b>Rothes Flood Prevention Scheme</b>			
<b>Key Milestone</b>	<b>Original</b>	<b>Revised</b>	<b>Agreed by</b>
FPO Submission	Nov 2006		
Planning Application	Jan 2007	Feb 2007	FASC 10-10-06
Earliest Construction Start	Jan 2008	July 2008	FASC 02-04-08
<b>Package 1 Back Burn</b>			
Works Information	Nov 2007		FASC 17-10-07
Construction Start	April 2008	July 2008	FASC 02-04-08
Construction Finish	Mar 2009	December 2009	FASC 18-06-08
<b>Package 2 Black Burn</b>			
Works Information	Mar 2008		FASC 17-10-07
Construction Start	Aug 2008	January 2009	FASC 18-06-08
Construction Finish	May 2009	October 2009	FASC 18-06-08
<b>Package 3 Rothes Burn</b>			
Works Information	Oct 2008		FASC 17-10-07
Construction Start	Mar 2009	February 2009*	TMC 25-02-09
Construction Finish	Dec 2010	March 2011	TMC 25-02-09

\* Site clearance works commenced before issue of the CAR licence.

#### **4. SUMMARY OF IMPLICATIONS**

##### **(a) Single Outcome Agreement/ Service Improvement Plan**

- (i) Promoting flood alleviation schemes is Local Priority 7 in the Single Outcome Agreement. This is relevant to National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.
- (ii) The Corporate Development Plan 2004 – 2007 states that providing effective flood alleviation schemes is a priority, and the Community Plan reiterates this. The Departmental Service Improvement Plan sets out targets for the schemes.

##### **(b) Policy and Legal**

The proposals form part of the Council's statutory duty in regard to Best Value, value for money and probity.

##### **(c) Financial implications**

There are no financial implications.

**(d) Risk Implications**

There are no risk implications.

**(e) Staffing Implications**

There are no staffing implications.

**(f) Property**

There are no property implications.

**(g) Equalities**

There are no equalities implications.

**(h) Consultations**

None.

**5. CONCLUSION**

- 5.1 Progress of Rothes Flood Prevention Scheme is generally satisfactory. Where progress is not aligned with the agreed programme, efforts will continue to mitigate slippage and bring the Schemes back on programme or provide satisfactory justification for why this is not possible and propose changes to the approved programme.**

Author of Report: Peter A Haslam, Project Sponsor, Moray Flood Alleviation

Background Papers:

Ref: A.16.01.04

Signature: 

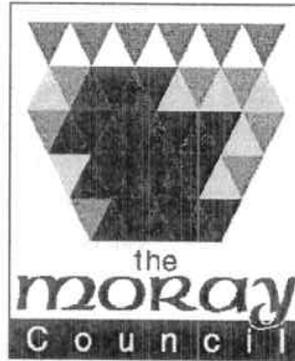
Date : \_\_\_\_\_

Designation: Director of Environmental Services

Name: Robert Stewart



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**THE MORAY COUNCIL FLOOD ALLEVIATION  
SUB-COMMITTEE**

**MONITORING REPORT NO 12  
PERIOD COVERED – August and September 2010**

**Rothes FAS**

**Dave Gowans  
Project Director  
Moray Flood Alleviation  
The Wards  
Elgin IV30 6AA**

## Introduction

Rothes FAS covers three local burns includes the Back Burn, Black Burn and Burn of Rothes. This project has been awarded to the Contractor under the Moray Flood Scheme Framework NEC 2, using Main Option E. With Council approvals being given in stages relating to each of the burns Option E has been amended to include Employer Compensation Events. These will be raised to coincide with the Council approvals.

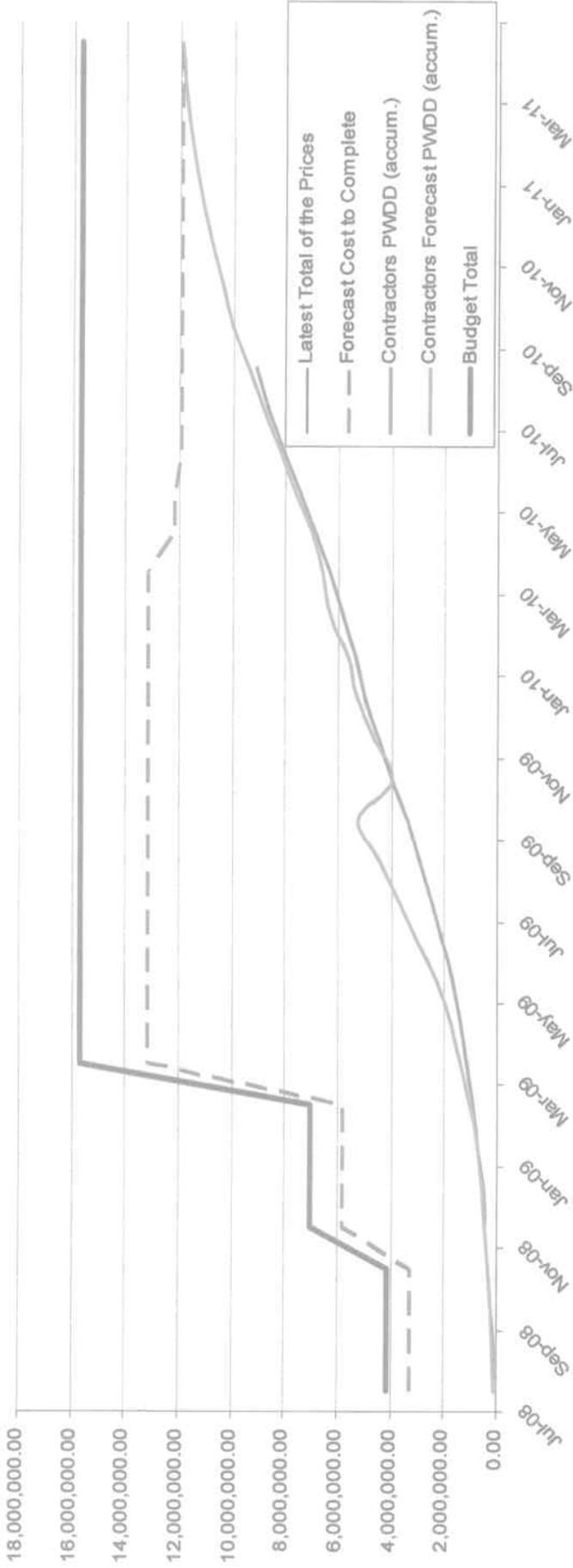
With considerable constraints on the overall Scheme (environmental, legal and contaminated land) the flexibility afforded to both the Project Manager and the Contractor through the use of the Employer Compensation Events allows the work to progress on site around the constraints until they are resolved.

The Contractor has providing Target Costs for each of the Employer Compensation Events (Back Burn, Black Burn and Burn of Rothes).

Owing to the method of delivery of the Rothes FAS Stakeholder negotiations are ongoing at Burn of Rothes.

**1 FINANCIAL**

**Target v Forecast plus Contractors PWDD**



**1.1**

**Graphical representation of actual cost incurred against planned – For Payment Nos 1 to 26**

The above graph shows the plotting of actual costs of the Contractors Price for Work Done to Date (PWDD) measured against the forecast cash flow out turn cost. We have completed stage 1 of revising the Contractors PWDD which is shown above. These figures were going through a process of validation and may change in the future. The above graph initially excludes the Council risks (see item 3 for tabulated list) as these risk costs were not planned but rather only expended as and if required. Future target forecasts would be amended to take account of compensation events.

## 1.2 Financial Summary statement of predicted out-turn costs measured against the approved budget

	£ 000
Approved Construction Budget for Whole Scheme	<u>£15,709</u>
Anticipated under/over spend	<u>(£ 1,710)</u>
Predicted revised Construction Budget for Whole Scheme	<u>£13,999</u>
Predicted Construction Cost for Back Burn Works	£ 2,028
Predicted Construction Cost for Black Burn Works	£ 1,781
Predicted Construction Cost for Burn of Rothes Works	£ 5,936
Audited Target Cost for Preliminaries	£ 2,218
Council Risk	<u>£ 2,546</u>
Reduction in Risk	<u>(£ 510)</u>
Predicted Construction Out-turn	<u>£13,999</u>

At this stage in the Contract potential savings of £1.2m have been identified within the construction works due to redesign and efficiency savings achieved on site. Also achieved to date savings from the risk register of £0.51m.

In the event that all the remaining risk allowances were required (unlikely scenario); the revised construction out-turn cost would be £13,999m.

## 1.3 Financial statement showing the actual cost incurred against an earned value calculation.

The accumulated actual cost to date (up to end August 2010) was £9,097,947.87. The last payment was broadly as expected with reference to progress on site. The planned forecast cash flow has been revised to take into account latest programme changes.

## 2 PROGRAMME

### 2.1 Statement showing the progress against the target programme

#### Works within this period – up to 1 October 2010 (week 117 of the Programme)

##### Back Burn Works

1. Removed Station Street bridge.
2. Commenced installation of fish passes at New Street and Station Street.
3. Continued Rothes park embankment and bank re-profiling.
4. Procured materials for further Back Burn Works.

##### Black Burn Works

1. Completed last section of channel tying into railway culvert.
2. Continued construction of railway embankment.

3. Continued screening and crushing of site materials for re-use.
4. Procured materials for further Black Burn works.

### **Burn of Rothes Works**

1. Continued installation of replacement Cemetery Road access bridge
2. Continued Glen Spey floodwall
3. Continued Burnside Street floodwall stone cladding and installation of copes
4. Continued town centre amenity area upstream of A941 bridge
5. Continued construction of replacement A941 bridge
6. Removed temporary A941 road bridge, swapping traffic onto new bridge.
7. Continued Seafeld Square floodwall
8. Removed Green Street bridge
9. Commenced removal of playground foot bridge
10. Continued extension to pavilion
11. Continued football ground embankment
12. Completed Provost Christie Drive outfalls and bank repairs
13. Procured materials for further Burn of Rothes works.

**As at week ending 1 October 2010 (Week 117) of the programme, the project was behind programme in some areas, mainly owing to adverse weather conditions, environmental constraints and utilities diversions.**

### **3 RISK REGISTER**

- 3.1 A tabulated statement providing details of the draft risk register including details of the current position of each item in terms of cost and time.
- 3.2 Each item has been identified as to which burn / burns or all burns that the risk relates to.

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
		<u>Flooding/Weather</u>			
1	All	Flood risk greater than contractors risk event impacting on works and public property	Mitigation considered and included in Works Information  Risk reduced	19,425	0.23

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
2	All	Exceptionally adverse weather	Programme to avoid Risk open till works complete	38,200	0.45
3	Back/Rothes	Breach of existing flood defence resulting in flooding	Monitor Risk open till works complete	23,425	0.23
4	Black	River Spey - exceptional high water	Monitor Risk open till works complete	750	0.06
5	Black	Cascade - excessive overland flows	Monitor Closed	0	0
6	Rothes	Emergency response	Monitor Risk open till works complete	4,375	0.13
		<b><u>Environmental/Licences etc</u></b>			
7A	Back	Conditions of CAR licence resulting in additional work	Monitor, identify and resolve early Closed	0	0
7B	Black	Conditions of CAR licence resulting in additional work	Monitor, identify and resolve early Closed	0	0
7C	Rothes	Conditions of CAR licence resulting in additional work	Monitor, identify and resolve early Risk reduced	6,875	0.16
8A	Back	Planning consent/condition uncertainties	Monitor Closed	0	0

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
Risks Still in Risk Register				£	wks
8B	Black	Planning consent/condition uncertainties	Monitor Closed	0	0
8C	Rothes	Planning consent/condition uncertainties	Monitor Risk open till works complete	2,500	0.16
9A	Back	New licence applications as a result of changing environmental circumstances	Monitor, identify and resolve early Closed	0	0
9B	Rothes	New licence applications as a result of changing environmental circumstances	Monitor, identify and resolve early Risk open till works complete	1,625	0.20
10	Black	Badger licence	Site surveys and close liaison with SNH Closed	0	0
11	Black	Protected species	Site surveys and close liaison with SNH Closed	0	0
12	Rothes	Late issue of CAR licence	Close liaison with SEPA Closed	0	0
13	Black / Rothes	Penalties for environmental breaches	Monitor Risk open till works complete	1,275	0

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
		<u>Accommodation / Carrying Out Works</u>			
14	Back	Glen Grant compensation for late completion at bridge/failure to obtain access	Monitor Closed	0	0
15	Back	Additional requirements of Glen Grant Distillery frustrating the Works	Obtain early agreement in writing/drawings Risk reduced	8,125	0
16	Back	Additional works required at Glen Grant bridge as a result of site conditions/design outstanding	Review need for further site investigation Closed	0	0
17	Back	Structural/ subsidence problems at Glen Grant distillery bridge	Review need for further site investigation Closed	0	0
18	Back	Disruption to works dealing with public access at various locations	Monitor Closed	0	0
19	Back	Future Accommodation Works to be agreed with landowners	Obtain early agreement in writing/drawings Risk open till works complete	6,875	0.13

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
20	Back	Structural/ subsidence problems at private properties in New Street with mini piles	Survey properties at risk, take appropriate construction action.  Closed	0	0
21	Back	Tie in at Station St Bridge	Monitor  Risk open till works complete	2,625	0
22	Black	Old Toll House	Obtain early agreement in writing/drawings  Risk open till works complete	16,000	0.90
23	Black	Farmland access	Obtain early agreement in writing/drawings  Risk open till works complete	0	0
24	Black	South culvert public access	Obtain early agreement in writing/drawings  Risk open till works complete	3,200	0.90
25	Roths	Shutdown of Glenrothes distillery	Close liaison with distillery  Risk open till works complete	62,500	0.10
26	Roths	Additional requirements of Glenrothes Distillery frustrating the Works	Close liaison with distillery  Risk open till works complete	24,375	0.68

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
27	Roths	Additional works required at Glenroths bridges as a result of site conditions/design outstanding	Surveys to be carried out and design firmed up Risk open till works complete	16,250	0
28	Roths	Structural/subsidence problems at Glenroths distillery buildings	Method statements to be produced for works in close proximity Risk open till works complete	12,000	0.45
29	Roths	Disruption to works dealing with public access at Glenroths and Glen Spey distilleries	Monitor Risk open till works complete	113	0.05
30	Roths	Shutdown of Glen Spey distillery	Close liaison with distillery Risk open till works complete	6,250	0.02
31	Roths	Additional requirements of Glen Spey Distillery frustrating the Works	Close liaison with distillery Risk open till works complete	394	0.02
32	Roths	Failure of temporary bridges for access to right hand bank	Monitor Risk open till works complete	2,835	0.08
33	Roths	Structural/subsidence problems at Glen Spey distillery buildings	Method statements to be produced for works in close proximity Risk open till works complete	2,000	0.23

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
34	Rothes	Delayed access to buildings to be demolished	Programme to avoid Closed	0	0
35	Rothes	Future Accommodation Works to be agreed with landowners	Obtain early agreement in writing/drawings Risk open till works complete	68,750	1.25
36	Rothes	Structural/ subsidence problems at private properties	Method statements to be produced for works in close proximity Risk open till works complete	12,000	0.68
37	Rothes	Tie in at A941 bridge	Monitor Risk open till works complete	2,625	1.13
38	Rothes	East Bank Hotel access issues	Obtain early agreement in writing Risk open till works complete	2,750	1.13
		<b><u>Unknown Conditions</u></b>			
39A	Back	Finding contaminated land and its remediation	Surveys Closed	0	0
39B	Black	Finding contaminated land and its remediation	Surveys Closed	0	0
39C	Rothes	Finding contaminated land and its remediation	Surveys Risk open till works complete	32,500	0.40

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
40A	Back	Additional area of invasive species	Management policy, not eradication. Monitor known areas of species Closed	0	0
40B	Black	Additional area of invasive species	Management policy, not eradication. Monitor known areas of species Closed	0	0
40C	Roths	Additional area of invasive species	Management policy, not eradication. Monitor known areas of species Risk open till works complete	30,000	1.13
41A	Back	Foot and mouth (or equivalent) prevents access to Site	Monitor national situation Closed	0	0
41B	Black	Foot and mouth (or equivalent) prevents access to Site	Monitor national situation Closed	0	0
41C	Roths	Foot and mouth (or equivalent) prevents access to Site	Monitor national situation Risk open till works complete	125	0.33
42A	Back	Archaeological finds during construction suspends Works	Watching brief specified Risk open till works complete	1,845	0.07
42B	Black	Archaeological finds during construction suspends Works	Watching brief specified Risk open till works complete	3,094	0.81

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
42C	Rothes	Archaeological finds during construction suspends Works	Watching brief specified Risk open till works complete	1,845	0.07
43A	Back	Unforeseen ground conditions	Monitor Risk open till works complete	13,125	1.13
43B	Black	Unforeseen ground conditions	Monitor Risk open till works complete	7,875	2.25
43C	Rothes	Unforeseen ground conditions	Monitor Risk open till works complete	26,250	2.25
		<b><u>Political / Statutory</u></b>			
44	Rothes	Peat shed contaminated land and its remediation	Take sample and agree appropriate remediation Risk reduced	18,900	0
45	All	Change in legislation	Monitor national situation Risk open till works complete	17,000	0
46	All	Additional costs of Utility diversions	Utility estimates required early Risk open till works complete	85,625	0
47	All	Add costs due to utilities contractor performance	Monitor performance Risk open till works complete	82,500	1

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
48	All	Damage to unknown services	Monitor Risk open till works complete	9,000	0.40
49	Back / Rothes	Transporting excavated material to spoil heaps may attract tax	Monitor use & contained storage areas to reduce need for transporting Risk open till works complete	6,094	0
		<b><u>Management Processes</u></b>			
50A	Back	Insufficient management processes to achieve project objectives	Monitor with Contractor & review as required Risk open till works complete	5,000	0
50B	Black	Insufficient management processes to achieve project objectives	Monitor with Contractor & review as required Closed	0	0
50C	Rothes	Insufficient management processes to achieve project objectives	Monitor with Contractor & review as required Risk open till works complete	10,000	0
51A	Back	General contingency for unidentified risks	Monitor Risk open till works complete	162,500	5.50
51B	Black	General contingency for unidentified risks	Monitor Risk reduced	10,000	0.55

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
51C	Roths	General contingency for unidentified risks	Monitor Risk open till works complete	162,500	2.75
52	All	Errors in Design /Errors in Setting out info	Monitor, identify and resolve early Risk open till works complete	90,000	0.40
53	All	Resolving technical queries and changes to works information	Monitor, identify and resolve early Risk open till works complete	177,100	3.60
54	All	Bar bending schedule impacting on design	Monitor, identify and resolve early Risk open till works complete	5,750	0
55A	Back	Increased costs of materials and fuels/omits in target cost etc	Monitor Risk open till works complete	50,000	0
55B	Black	Increased costs of materials and fuels/omits in target cost etc	Monitor Risk open till works complete	25,000	0
55C	Roths	Increased costs of materials and fuels/omits in target cost etc	Monitor Risk open till works complete	20,000	0
		<b><u>Contractor's Issues</u></b>			
56	All	Construction related pollution incidents	Method statement: clean up policy Risk open till works complete	9,000	0

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
57	Back	Pollution of Glen Grant Distillery water during the works	Method statement: clean up policy Closed	0	0
58	All	Theft and vandalism to site works / equipment	Secure compound Risk open till works complete	15,950	0
59	All	Damage to known services	Banksman in attendance Risk open till works complete	18,000	0
60	All	Damage to roads	Monitor Risk open till works complete	23,100	0
61	All	Errors in quantity take-off/workslope	Monitor Risk open till works complete	129,100	1
62	Back	Suitability of underpinning 97 New Street with mini piles	Review design to consider buildability Closed	0	0
63	Back	Damage to existing box culvert at New Street bridge	Review design to consider buildability Risk open till works complete	2,000	0
64A	Back	Shortage of labour, key resource supply	Understand programming and lead in periods Closed	0	0
64B	Black	Shortage of labour, key resource supply	Understand programming and lead in periods Closed	0	0

CR Ref.	Burn	Description	Mitigation and Current Status of Risk	Potential Cost Effect	Potential Time Effect
<b>Risks Still in Risk Register</b>				<b>£</b>	<b>wks</b>
64C	Rothes	Shortage of labour, key resource supply	Understand programming and lead in periods Risk reduced	6,300	0.10
65	All	Adverse weather (excluding effect on burn levels)	Monitor Risk open till works complete	89,890	1.13
66	Back/Rothes	Adverse weather on burn levels	Monitor Risk open till works complete	233,340	3.25
67	Black	Extreme weather	Monitor Risk reduced	5,000	0.15
68	Back	Subcontractors performance	Monitor Risk open till works complete	6,000	0.60
69	Back/Rothes	Damage to existing structures	Method statements to be produced Risk open till works complete	15,000	0.20
70A	Back	Distillery Access/Interface	Monitor Risk open till works complete	4,500	0.45
70B	Rothes	Distillery Access/Interface	Monitor Risk open till works complete	77,500	0.23
			<b>TOTAL</b>	<b>2,036,425</b>	<b>39.12</b>

**Note:** The above risk value has been reduced by £500,000 and time reduced from 73 to 39 weeks.

#### **4 EARLY WARNING AND UNFORESEEN ITEMS**

- 4.1 Technical queries were continuing to be raised and consequently some of these may result in changes to the works.
- 4.2 There were ongoing discussions with stakeholders relating to access to carry out the works.

#### **5 PERFORMANCE MEASUREMENT**

- 5.1 The results of continuous performance measures will be detailed under the following headings:
- Cost
  - Programme
  - Health & Safety
  - Environmental Impact
  - Stakeholder Satisfaction

Performance Measurements	Monitoring Report reference	01	02	03	04	05	06	07	08	09	10	11	12	13	14
<b>Cost of Work Actually Performed v Planned</b>	Actual v Planned >10% accurate														
	Actual v Planned +/- 10% accurate														
	Actual v Planned +/- 5% accurate														
<b>Reliability of Target Cost Setting</b>	Target Cost > 10% accurate														
	Target Cost +/- 10% accurate														
	Target Cost +/- 5% accurate														
<b>Programme duration</b>	Behind Programme > 2 Weeks														
	Behind Programme < 2 Weeks														
	On Programme or earlier finish														
<b>Reliability of Target Programme Setting</b>	Target Programme > 10% accurate														
	Target Programme +/- 10% accurate														
	Target Programme +/- 5% accurate														
<b>Reportable Accidents</b>	More than 1 reportable accident														
	1 reportable accident														
	No reportable accidents														
<b>Environmental Impact Satisfaction</b>	Unsatisfactory (<75%)														
	Improvement Required (75 – 90%)	n/a													
	Satisfied (90 - 100%)														
<b>Stakeholder Satisfaction</b>	Unsatisfactory (<75%)														
	Improvement Required (75 – 90%)	n/a													
	Satisfied (90 - 100%)														

Performance Measurement	Performance Monitor	Performance Measurement Derived from	Comments for this Period	Status in Period
Cost	Cost of Work Actually Performed v Planned	Performance measurement is derived from the actual cost of work performed this period compared with the planned expenditure as defined within the target cost setting.	The planned forecast cash flow was revised to take into account programme changes. This would be used to monitor the cost of work actually performed against the planned.	
Reliability of Target Cost Setting		A target cost and cost allowance within the Council's risk register was set at the commencement of works. This performance measurement compares the reliability of the target cost setting, as adjusted by cost allowance within the council's risk register, against the actual out-turn contract cost.	Cost was on track to complete within target cost as adjusted by risk included within council's risk register. At this stage in the contract, there was nothing to suggest the target cost setting methodology was unreliable.	
Programme duration	Programme duration	The agreed programme duration is the time identified in the original Target programme, as adjusted by time additions/deductions given in Compensation Events. This performance measurement relates contractor's performance in meeting the contract duration	<p>Because the works were constantly moving between areas the critical path was not easily identified. Some areas were behind, while other areas were ahead of Programme. However the overall impression was that in general the works were slightly behind the Programme.</p> <p>Construction operations were being rescheduled to mitigate constraints. A revised programme was issued which reflects the rescheduled works.</p>	

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Performance Measurement	Performance Monitor	Performance Measurement Derived from	Comments for this Period	Status in Period
	<p><b>Reliability of Target Programme Setting</b></p>	<p>A target programme and time allowance within the Council's risk register was set at the commencement of works. This performance measurement compares the reliability of the target programme setting, as adjusted by time allowance within the council's risk register, against the actual out-turn contract duration.</p>	<p>The Programme was on track to complete within target period for Back Burn, Black Burn and Burn of Rothes</p> <p>The overarching programme for all works in Rothes was re-issued on 21 September 2010. The programme was being reviewed to take into account progress on site.</p>	
<p><b>Health and Safety</b></p>	<p><b>Reportable Accidents</b></p>	<p>Performance measurement is derived from analysing the contractor's site records to determine the number of reportable accidents/number of hours worked. The national average in all sectors of construction is 1037 reportable incidents per 100,000 employees.</p>	<p>The key performance indicator this period was nil reportable accident during August and September in 24,426 man-hours. The accumulated accident rate was two accidents in 223,044 man-hours. Two internal safety audits took place during this period and complied with national standards.</p>	

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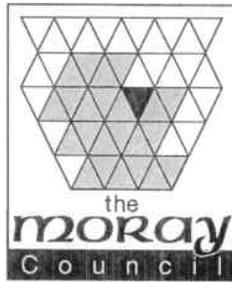
Performance Measurement	Performance Monitor	Performance Measurement Derived from	Comments for this Period	Status in Period
Environmental Impact	Environmental Impact Satisfaction	<p>Performance measurement is derived from a detailed score card assessment covering 22 specific items of environmental impact on species / habitat, sustainability, site environmental issues (i.e. pollution/tidiness), compliance with licences contractors and traffic matters.</p>	<p>Black Burn CAR Licence completion date extended by SEPA.</p> <p>A Technical Variation to Back Burn CAR Licence was submitted to SEPA for work on gabion baskets between Station Street and Caperdonich Bridge.</p> <p>Bank remediation works were carried out at Provost Christie Drive to repair and protect banks from future erosion.</p> <p>A meeting was held on site with Spey Fisheries Board and agreement was reached regarding fish pass construction.</p> <p>High flows restricted works in the burns during the period.</p> <p>A meeting was held with SEPA, SNH and Spey Fisheries Board to discuss working in the watercourses (Back Burn and Burn of Rothes) beyond the mid-October salmonid spawning restriction.</p> <p>Material containing Japanese Knotweed excavated from area adjacent to Back Burn at the football ground and to be buried accordingly.</p>	

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Performance Measurement	Performance Monitor	Performance Measurement Derived from	Comments for this Period	Status in Period
Stakeholder Satisfaction	Stakeholder Satisfaction	Performance measurement is derived from a detailed questionnaire assessment covering specific items of levels of satisfaction with completed works.	<p>Performance measurement is derived from a detailed questionnaire assessment covering specific items of levels of satisfaction with completed works.</p> <p>During the A941 Bridge Replacement Information Day held on the 4 March 61 Questionnaires were completed.</p> <p>These would be issued again on the Completion of the Works.</p>	N/A

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**REPORT TO: FLOOD ALLEVIATION SUB-COMMITTEE ON 20 OCTOBER 2010**

**SUBJECT: MORAY FLOOD ALLEVIATION SCHEMES: FINANCIAL MONITORING SUMMARY**

**BY: DIRECTOR OF ENVIRONMENTAL SERVICES**

**1. REASON FOR REPORT**

- 1.1 To update the Sub-Committee on the Moray Flood Alleviation Schemes in respect of financial monitoring.
- 1.2 To advise the Sub-Committee of key factors affecting costs of schemes.
- 1.3 The report is submitted to Committee in terms of Section G (20) of the Council's Administrative Scheme relating to the functions of the Council under the Flood Prevention (Scotland) Act 1961 as amended by the Flood Prevention and Land Drainage (Scotland) Act 1997.

**2. RECOMMENDATION**

**2.1 It is recommended that the Sub-Committee:**

- (i) **Note the estimated capital cost of schemes that accords with the approved Financial Plan as far as can be ascertained at this point;**
- (ii) **Note that compensation costs for the Forres (Burn of Mosset) Scheme remain a concern at this time and will be decided by the Lands Tribunal for Scotland;**
- (iii) **Note that the provision of Capital funding for the Elgin and Forres (Findhorn & Pilmuir) Schemes is subject to the outcome of the Scottish Government's Comprehensive Spending Review.**

**3. BACKGROUND**

- 3.1 The Sub-Committee of 1 April 2009 approved an updated financial monitoring format and agreed that it replaces the previous format for the next and subsequent financial years (para 6 of the Minute refers). The new format reflects the budget headings approved for the construction stage of schemes to date, with schemes at an earlier stage being represented in summary only. The format is intended to make financial monitoring more relevant, transparent and concise to assist in illuminating the key issues.

3.2 Forres (Burn of Mosset)

The figures in the **Appendix** cover all cost headings for this scheme and show that the project remains on budget at present. However, compensation costs have yet to be agreed, and it remains likely that a Lands Tribunal will be required.

Rothies

- 3.3 The figures in the Appendix cover all cost headings for this scheme and show that the project remains within budget at present. As previously advised, it is likely that the final cost of construction will be around £1.2 million below the budget estimate. In addition, £500k has also been taken out of the risk allocation. This is now reflected in the Appendix to this report, with the released budget being transferred to the Third Party Compensation allocation. It should be noted that this increased compensation allocation is unlikely to be required in full; however, it would be imprudent to remove this funding from the budget at this stage as compensation is still being agreed with landowners. A review of overall costs of the Scheme is underway to derive a more accurate estimated out-turn cost. This will assist the Chief Financial Officer's planning process.

Elgin

- 3.4 The Scottish Government published the Reporter's recommendations on 6 October 2010. Affected parties have until 8 November to make representations for Ministers' consideration. Target setting is currently in progress and the formal Target Price is expected by 19 November. As previously reported, investigations and discussions with regulators (SEPA and the Council's Contaminated Land Team) in relation to contaminated land suggest that projected costs might increase. At this stage the risk allowance appears adequate but it will be reviewed as a matter of course and issues reported to this Sub-Committee as appropriate.

3.5 Forres (River Findhorn & Pilmuir)

The Public Local Inquiry was completed in the summer, but the Reporter's recommendation is still awaited. Construction preparation is continuing and final consents such as Controlled Activity Regulations Licences are being sought in the meantime.

Funding

- 3.6 A meeting with Scottish Government officials was held on 18 August 2010, at which the programme and projected expenditure profiles of the two Schemes yet to commence on site were submitted to inform the Comprehensive Spending Review. The outcome of the review is to be published on 20 October; however, confirmation of funding is unlikely to be received from Scottish Government until late November.
- 3.7 Final budget-setting figures will be submitted to The Moray Council for approval prior to award of the construction works packages for the Elgin and River Findhorn and Pilmuir Schemes, provided the Scottish Government provides sufficient Capital Grant.

#### 4. SUMMARY OF IMPLICATIONS

##### (a) **Single Outcome Agreement/Service Improvement Plan**

- (i) Promoting flood alleviation schemes is Local Priority 7 in the Single Outcome Agreement. This is relevant to National Outcome 12 – “We value and enjoy our built and natural environment and protect it and enhance it for future generations”.
- (ii) The Corporate Development Plan 2004 – 2007 states that providing effective flood alleviation schemes is a priority, and the Community Plan reiterates this. The Departmental Service Improvement Plan sets out targets for the schemes.

##### (b) **Policy and Legal**

None.

##### (c) **Resources (Financial, Risks, Staffing and Property)**

Aside from previously reported risks, such as compensation costs for the Forres (Burn of Mosset) Scheme, the most significant risk is funding. The estimated cost for both Elgin and Forres (River Findhorn and Pilmuir) Schemes is the best available to provide information to assist Scottish Government's Comprehensive Spending Review. The budget estimates include risk allowances derived from the risk registers. However, risk management techniques are less reliable over such long time periods as the three year review and cannot easily take account of risks and uncertainties across the wider environment.

##### (d) **Consultations**

Lorraine Paisey, Principal Accountant was consulted and is in agreement with the contents of this report.

#### 5. CONCLUSION

- 5.1 **The estimated capital cost of Schemes under construction and post construction accord with the approved Financial Plan as far as can be ascertained at this point.**
- 5.2 **Compensation costs for the Forres (Burn of Mosset) Scheme remain a concern at this time and will be decided by the Lands Tribunal for Scotland.**
- 5.3 **Funding for the Elgin and Forres (Findhorn & Pilmuir) Schemes is subject to the outcome of the Scottish Government's Comprehensive Spending Review.**

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Author of Report: Technical Clerk

Background Papers:

Ref: A01.16.04

Signature: \_\_\_\_\_



Date: \_\_\_\_\_

Designation: Director of Environmental Services

Name: Robert Stewart

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# ITEM PAGE

APPENDIX TO FINANCIAL MONITORING REPORT - ACTUAL COSTS UP TO 31 AUGUST 2010 AND COMMITMENTS TO 30 SEPTEMBER

Date: 30/09/2010  
Cost Centre: 7625 - 5372, 5373, 5374, 5423, 5425, 5426

Description	Approved Budget	Expenditure to end 2008/09	2009/10 Expenditure	Total Expenditure in Previous Financial Years	Current Financial Year 2010/11			Total Projected Expenditure	Future Years	Estimated Final Cost	Notes
					Actual Expenditure to 31 August	Commitments to 30 September	Estimated Remaining Expenditure				
Burn of Mosseset											
Development Costs	4,129,000	3,341,309	-	3,341,309	-	-	-	-	-	3,341,309	
3rd Party Compensation Costs	2,500,000	2,003,037	163,923	2,166,961	36,519	30,243	2,306,546	2,373,410	-	4,540,371	
Utilities	300,000	150,738	-	150,738	-	-	149,262	149,262	-	300,000	
Site Supervision	600,000	729,682	408,500	1,138,182	7,438	-	9,562	17,000	-	1,155,182	
Council Staff & Misc Costs	200,000	34,608	44,076	78,683	600	-	6,576	7,276	-	85,959	
Construction Works Cost	9,759,000	6,966,563	3,427,855	10,394,418	7,574	154	4,10,854	4,18,581	-	10,812,999	
Council Risk Allowance	1,370,000	120,179	-	120,179	-	-	-	-	-	120,179	
Exceptional Contaminated Land Risk	2,000,000	-	24,000	24,000	3,342	-	472,556	476,000	-	500,000	
<b>TOTAL</b>	<b>20,856,000</b>	<b>13,346,117</b>	<b>4,066,354</b>	<b>17,414,471</b>	<b>55,474</b>	<b>30,397</b>	<b>3,355,659</b>	<b>3,441,529</b>	<b>-</b>	<b>20,856,000</b>	

Rothes											
Description	Approved Budget	Expenditure to end 2008/09	2009/10 Expenditure	Total Expenditure in Previous Financial Years	Actual Expenditure to 31 August	Commitments to 30 September	Estimated Remaining Expenditure	Total Projected Expenditure	Future Years	Estimated Final Cost	Notes
Development Costs	5,420,000	5,453,461	-	5,453,461	-	-	-	-	-	5,453,461	
3rd Party Compensation Costs	2,000,000	1,022,851	143,723	1,166,574	14,914	56,461	1,914,762	1,986,136	-	3,152,710	Allocation increased by £775,272 to balance forecast construction underspend and increased Utilities allocation. NB. It is unlikely that the full allocation will be required.
Utilities	567,000	201,606	306,869	508,475	61,490	14,968	8,542	85,000	-	593,476	Allocation increased by £26,476 to finance additional utility diversions. Funded by transfer from Council Risk Allowance allocation.
Site Supervision	750,000	91,499	888,507	980,006	127,476	5,312	77,212	210,000	-	1,190,008	
Council Staff & Misc Costs	320,000	64,071	172,356	236,427	46,662	7,492	29,420	83,573	-	320,000	
Consultants Head Office Support	300,000	192,396	105,248	297,614	11,771	-	38,229	50,000	-	347,615	
Construction Works Cost	13,163,000	2,045,298	5,132,334	7,177,632	2,394,898	458,001	1,942,203	4,785,102	-	11,962,734	Forecast construction cost reduced by further £281,748.21. Transferred to 3rd Party Compensation allocation.
Council Risk Allowance	2,546,000	100,281	-	100,281	-	-	1,945,719	1,945,719	-	2,046,000	£590k removed from Risk Register. £28,476 transferred to Utilities and remainder to 3rd Party Compensation allocation.
<b>TOTAL</b>	<b>25,066,000</b>	<b>9,171,433</b>	<b>6,749,037</b>	<b>15,920,470</b>	<b>2,647,210</b>	<b>542,233</b>	<b>5,956,087</b>	<b>9,145,529</b>	<b>-</b>	<b>25,066,000</b>	

Scheme Figures											
Description	Approved Budget	Expenditure to end 2008/09	2009/10 Expenditure	Total Expenditure in Previous Financial Years	Actual Expenditure to 31 August	Commitments to 30 September	Estimated Remaining Expenditure	Total Projected Expenditure	Future Years	Estimated Final Cost	Notes
Elgin	83,152,277	9,037,654	2,336,652	12,274,306	804,015	683,459	4,512,526	6,000,000	71,625,695	86,900,000	
Findhorn and Fittmuf	29,824,453	4,488,505	898,159	5,386,664	237,056	7,732	255,204	500,000	32,973,335	36,860,000	
Burn of Mosseset	20,856,000	13,346,117	4,066,354	17,414,471	55,474	30,397	3,355,659	3,441,529	-	20,856,000	
Rothes	25,066,000	9,171,433	6,749,037	15,920,470	2,647,210	542,233	5,956,087	9,145,529	-	25,066,000	
Lhanbryde	2,870,568	2,999,290	-	2,999,290	-	-	-	-	-	2,999,290	
<b>TOTAL</b>	<b>161,769,298</b>	<b>39,542,969</b>	<b>14,052,202</b>	<b>53,995,171</b>	<b>3,743,763</b>	<b>1,263,821</b>	<b>14,079,475</b>	<b>19,087,058</b>	<b>104,589,030</b>	<b>177,281,290</b>	



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# QUESTION TIME

