



SHEFFIELD CITY COUNCIL

Officer Non-Key Decision Report

Report of: David Caulfield

Report to: Councillor Fox

Date: 24th July 2015

Subject: Biomass Energy Development - BRT duct installation

Author of Report: Joanne Crownshaw

Summary:

The Council has granted Interserve license under section 50 of the New Roads and Street Works Act to place apparatus in the highway.

The proposed works comprise the installation of a fully ducted 33kv supply from the existing NPg Wincobank 275/33kv substation situated off Meadowhall Road towards the new biomass plant situated off Sheffield Road in Rotherham as per the attached plans.

Timely completion of the Cable works is critical to the economic operation of the proposed biomass energy development which incorporates a 350,000 tonnes per annum wood pellet manufacturing process and an associated biomass combined heat and power plant at Firth Rixson, Ickles Works, Sheffield Road, Templeborough. The completion of the cable works is critical to Interserve and its client due to the need to commence live power commissioning no later than 15th October 2016.

The route of the cable works impacts on the BRT works at the Sheffield Road and Meadowhall Way ends of the scheme. BRT team, SCC highways, Amey (site supervisors) & Carillion have worked closely with Interserve to agree the best way to incorporate the ducting through these areas in order to ensure that they are carried out in conjunction but without impact of the BRT junction alterations; whilst in a timely manner for Interserve to achieve their programme.

It is proposed that Carillion (through the existing BRT contract) are instructed to install the required ducting works at the 2 bell mouth junctions.

Interserve have agreed to pay up front for the works, which are costed at £109,000. They will also provide a bond of £100,000 to cover any delay to the BRT scheme caused by their works.

Reasons for Recommendations:

- Retain control of the works and the key contractor at the site of the BRT contract with a view to ensuring timely completion of the BRT contract.
 - To support the regional agenda for sustainable energy.
 - All new highway surfaces to the BRT scheme will be protected under Section 58 of the New Roads and Street Works Act which would exclude the new excavation and installation of the 33kv cable for a minimum of 5 years. By facilitating the installation of the Biomass supply cables now we would avoid the future disruption to the BRT route after it has been opened to traffic.
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Recommendations:

- Grant authority to enter into a legally binding agreement with Interserve for the provision of duct installation works at the BRT site.
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Background Papers:

Category of Report: **OPEN**

Statutory and Council Policy Checklist

Financial Implications
YES Cleared by: Paul Schofield
Legal Implications
YES Cleared by: Daniel Reeve
Equality of Opportunity Implications
YES/NO Cleared by: N/a
Tackling Health Inequalities Implications
YES/NO Cleared by: N/a
Human Rights Implications
YES/NO Cleared by: N/a
Environmental and Sustainability implications
YES/NO Cleared by: N/a
Economic Impact
YES/NO Cleared by: N/a
Community Safety Implications
YES/NO Cleared by: N/a
Human Resources Implications
YES/NO Cleared by: N/a
Property Implications
YES/NO Cleared by: N/a
Area(s) Affected
Tinsley
Relevant Cabinet Portfolio Lead
Councillor Fox
Relevant Scrutiny Committee
Economic and Environmental Wellbeing
Is the item a matter which is reserved for approval by the City Council?
NO
Press Release
NO

REPORT TO THE (INSERT TITLE OF DECISION MAKER)

INSERT REPORT TITLE

1.0 SUMMARY

- 1.1 The Council has granted Interserve license under section 50 of the New Roads and Street Works Act to place apparatus in the highway.
- 1.2 Timely completion of the Cable works is critical to the economic operation of the proposed biomass energy development which incorporates a 350,000 tonnes per annum wood pellet manufacturing process and an associated biomass combined heat and power plant at Firth Rixson, Ickles Works, Sheffield Road, Templeborough. The completion of the cable works is critical to Interserve and its client due to the need to commence live power commissioning no later than 15th October 2016.
- 1.3 The route of the cable works impacts on the BRT works at the Sheffield Road and Meadowhall Way ends of the scheme. BRT team, SCC highways, Amey (site supervisors) & Carillion have worked closely with Interserve to agree the best way to incorporate the ducting through these areas in order to ensure that they are carried out in conjunction but without impact of the BRT junction alterations; whilst in a timely manner for Interserve to achieve their programme.
- 1.4 The proposed works comprise the installation of a fully ducted 33kv supply from the existing NPg Wincobank 275/33kv substation situated off Meadowhall Road towards the new biomass plant situated off Sheffield Road in Rotherham as per the attached plans.
- 1.5 It is proposed that Carillion (through the existing BRT contract) are instructed to install the required ducting works at the 2 bell mouth junctions.
- 1.6 Interserve have agreed to pay up front for the works, which are costed at £109,000. They will also provide a bond of £100,000 to cover any delay to the BRT scheme caused by their works.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The provision of the Biomass Plant adds to the regeneration of the Lower Don Valley. We are co-operating with our neighbours in Rotherham in order to enable delivery of this important project.

3.0 OUTCOME AND SUSTAINABILITY

- 3.1 Although installed under the auspices of Section 50 of the New Roads and Street Works Act the 33kv cable will eventually be adopted by Northern Power Grid, the regional power supplier.

4.0 MAIN BODY OF THE REPORT

Including Legal, Financial and all other relevant implications (if any)

4.1 The Biomass Plant has to connect to the National Grid in order to operate. Whilst the plant is in Rotherham, the connection point to the sub-station is Meadowhall Road, Sheffield.

4.2 The works will be undertaken by Carillion pursuant to a variation to the BRT contract. Although this contract as a whole is subject to the Public Contracts Regulations the variation itself is compliant with the original procurement and below the threshold at which the Regulations are engaged in respect of variations. Legally the Council will also be contracted to Interserve for the supply of the works (i.e. to 'pass through' the works undertaken by Carillion). The Council is relying on its general power of competence under the Localism Act 2011 to contract with and charge Interserve for the provision of the works.

4.3 FINANCIAL IMPLICATIONS

In order to retain control of the works and the key contractor at the site of the BRT contract, ensure timely completion of the BRT contract and avoid financial penalties, the Council needs to approve additional capital expenditure on the BRT North Work Package 21 contract of approximately £100k.

This should be at nil cost to the Council if the agreed procedures are followed as the cost of the works is fully recoverable from Interserve.

The project is already overspent and there is no further scope in the approved sum to undertake these works so the increase in capital expenditure will be approved under the emergency approval procedure.

5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 All other options for the cable route have been explored and exhausted.

6.0 REASONS FOR RECOMMENDATIONS

6.1 Retain control of the works and the key contractor at the site of the BRT contract with a view to ensuring timely completion of the BRT contract.

6.2 To support the regional agenda for sustainable energy.

6.3 All new highway surfaces to the BRT scheme will be protected under Section 58 of the New Roads and Street Works Act which would exclude the new excavation and installation of the 33kv cable for a minimum of 5 years. By facilitating the installation of the Biomass supply cables now we would avoid the future disruption to the BRT route after it has been opened to traffic.

7.0 REASONS FOR EXEMPTION (if a Closed report)

7.1 N/A

8.0 RECOMMENDATIONS

8.1 Grant authority to enter into a legally binding agreement with Interserve for the provision of duct installation works at the BRT site.

Author: Joanne Crownshaw

Job Title: Project Manager

Date: 23rd July 2015