

Meeting of:	Cabinet
Date of Meeting:	Monday, 24 February 2020
Relevant Scrutiny Committee:	Homes and Safe Communities
Report Title:	Channel View, Marcross Cesspit Replacement -Consultation Response
Purpose of Report:	To update Cabinet on the outcome of the recent consultation exercise at Channel View, Marcross regarding the Cesspit options appraisal. To inform Cabinet of the residents' preferred option and arising issues.
Report Owner:	Cabinet Member for Housing and Building Services
Responsible Officer:	Miles Punter – Director of Environment and Housing Services
Elected Member and Officer Consultation:	Elected Members consulted Officers consulted - Senior Lawyer Accountant Councillor G John Councillor S Hanks Councillor E Williams Councillor J Norman
Policy Framework:	This is a matter for executive decision by Cabinet.
Executive Summary:	<ul style="list-style-type: none"> This report brings to the attention of Cabinet the outcome of the resident consultation exercise at Channel View, Marcross seeking residents' views on their preferred option in response to the sewerage treatment options appraisal and viability study. The options consulted upon included, do nothing, increase capacity of the current system, replace with a single package treatment works, or replace with 10 individual package treatment works. On the basis that all residents have expressed a preference for the Council to replace the existing system with a single package treatment works, this report seeks approval to tender, via the Sell2Wales portal, for a suitable replacement sewage treatment system.

- Subsequently further resident consultation will be necessary to discuss the individual costs and payment options and a further report to Cabinet to procure the works and outline the legal issues arising.

Recommendations

1. That Cabinet notes the content of this report and the outcome of the resident consultation
2. That Cabinet gives approval for the Director of Environment and Housing to tender for a replacement single package treatment works at Channel View Marcross via the Sell to Wales portal
3. That a further report be presented to Cabinet following the tender exercise highlighting the financial implications and repayment options for residents.

Reasons for Recommendations

1. To ensure Cabinet is aware of the views of residents regarding the Channel View, Marcross cesspit options appraisal and viability study.
2. To comply with the Council's Financial Procedure Rules and Contracts Procedural Rules and that any commissioned works represent value for money.
3. To enable an informed decision to be made in relation to the progression of the replacement works.

1. Background

- 1.1 Cabinet at its meeting of the 21st October 2019 (min C132) granted approval for the Director of Environment and Housing to undertake consultation with the residents of Channel View Marcross seeking views in relation to an options and viability appraisal concerned with the existing sewerage arrangements for their homes.
- 1.2 Individual consultation took place during December and early January and this report highlights the outcome and preferred option expressed.

2. Key Issues for Consideration

- 2.1 Members will recall that the Housing and Building Services Team commissioned the services of engineering consultants, Austin Partnership Ltd to undertake an options appraisal and viability study of the Channel View, Marcross cesspit.
- 2.2 In summary 4 options were identified namely; do nothing, increase capacity of the current system, replace with a single package treatment works, or replace with 10 individual package treatment works.

- 2.3** The Director of Environment and Housing and Head of Housing and Building Services met individually with all 7 owner occupier residents at the Alps Depot during December and January.
- 2.4** To assist those discussions each resident was provided with copies of the 21st October 2019 Part1 and Part 2 (redacted) Cabinet reports together with a summary of the options and financial costs of each.
- 2.5** Individual meetings were held to ensure confidentiality and to allow for the views of each resident to be expressed and the discussion to be tailored to their individual needs. A note of the meeting was also provided so that residents had a personal record of the discussions.
- 2.6** The outcome of the consultation was unanimous and in favour of the option to replace the existing arrangement with a single package treatment works on the site of the existing cesspit and for the Council to manage the project and undertake the necessary procurement. It should be noted, the Council would retain responsibility for the management and maintenance of a single treatment plant, along with regular collection of solid waste matter, maintenance, repairs and emptying charges, which would then require individual service charges to be issued to recover these costs from owner occupiers.
- 2.7** Officers explained during the meeting that it would be necessary for each resident to contribute to the cost of the replacement works and outlined the legal basis for doing so. Whilst there was a general discussion regarding the financial position of each resident it was clear that until a firm price had been established most residents felt unable to commit to a detailed discussion regarding repayment options.
- 2.8** It was agreed therefore that a further meeting with residents would be held, when works had been tendered and evaluated, to discuss repayment options and affordability.
- 2.9** Subject to Cabinet approval it is proposed that the replacement scheme be tendered and advertised on the Sell2Wales procurement portal in the coming weeks. The full tender process is likely to take up to 3 months to complete and, subject to further consultation, affordability assessments, agreed repayment options and drafting of necessary legal documentation, work is envisaged to commence in the late Summer/ early Autumn.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

- 3.1** As a result of designing, procuring and delivering the alternative sewerage system at Channel View Marcross; there will be a cost-effective sustainable

installation, compliant with NRW over the longer term and into the foreseeable future.

- 3.2** The preferred solution for the sewerage treatment installation will be procured and installed in consultation with our regulatory and in-house partners as well as the residents of Channel View thereby providing an integrated approach.
- 3.3** The residents of Channel View will be involved in the decision-making process via consultation regarding the preferred alternative sewerage installation at 1-10 Channel View Marcross.
- 3.4** As a result of contracting a competent consultant to undertake the Options appraisal and viability study, this has ensured a legislatively compliant, economical and sustainable proposals for sewage treatment at 1-10 Channel View, Marcross.
- 3.5** This proposal will meet:
Well-being Outcome 1: An inclusive and safe Vale
Objective 2: Providing decent homes and safe communities
Action: Increase the number of sustainable, affordable homes. (2019/20)

4. Resources and Legal Considerations

Financial

- 4.1** The chosen option of a single treatment plant serving the 10 dwellings in Channel View was deemed to be the most cost-effective solution in the options appraisal report with an estimated capital cost of £195,262 including replacement of the existing drainage pipework. This means individual owners would be liable for an estimated £15,126.20 contribution for the replacement of the system.

The capital cost to the HRA for a single treatment plant would be an estimated £89,378.

- 4.2** The annual revenue costs of the preferred option of the single treatment plant serving all ten dwellings would be an estimated £2,280 for the maintenance and emptying, resulting in an estimated annual charge of £228 per annum to each home.
- 4.3** Currently the HRA subsidises the 3 council properties charges for emptying and maintenance by only charging each tenant £6.54 over 50 weeks (£327 per annum). Based on the revenue estimates the saving to each individual tenant of a single treatment plant would be approximately £100 pa with no future HRA subsidy required.

Employment

4.4 There are no employment issues arising from this report.

Legal (Including Equalities)

4.5 The decision to proceed with the installation of the single treatment plant serving all 10 dwellings may require the entering into of loan agreements and/or legal charges between the Council and some private homeowners to ensure their contribution to the Capital cost of the new plant is met.

4.6 As previously mentioned, there would need to be a pro-rata contribution from the seven homeowners and a further report to Cabinet will be necessary following checks on the affordability and individual equity in some of the properties if residents chose or were unable to fund, in full, the cost of the works.

4.7 There are no issues in terms of equalities.

5. Background Papers

None.