



Assurance Summary

Scheme Details

Project Name	Lundwood Flood Alleviation Scheme	Type of funding	Grant
Grant Recipient	BMBC	Total Scheme Cost	£1,307,000
MCA Executive Board	Housing and Infrastructure	MCA Funding	£150,000
Programme name	Gainshare	% MCA Allocation	11.47%

Part A - Appraisal Summary

Strategic Case	
<i>Project rationale</i>	<p>This funding request has been determined within the context of regional need following the 2019 flood event and the subsequent South Yorkshire Flood Priority Programme. This scheme has been identified as one of 8 shovel ready schemes needed to provide improved flood mitigation for some of the most vulnerable residents. This area has been subject to recurring flood events, suffering extensively in 2007, 2012 and 2019.</p> <p>The project description is unclear and not well defined within the business case and therefore it is not clear what the MCA is being asked to fund.</p> <p>At different points in the business case the project is defined as the designing of a capital scheme to mitigate flood risk and at other points it is defined as actual physical works to be undertaken on site, as below:</p> <p><i>“This project is to provide match funding for the next stage of developing and designing a capital scheme to mitigate / minimise future flood risk... Once designed, the capital scheme is likely to be funded through a mix of EA Grant in Aid and Council resources”</i></p> <p><i>“MCA support is required to progress the on site clearance and repair works of key drainage assets to afford improved protection to local property and businesses... The funding will be used to progress on site exposure of the drainage assets, re-cutting of existing drainage ditches (500m+), removal of vegetation and clearance of the culvert assets including any necessary repairs.”</i></p> <p>“The development phase of the project is due to be complete by December 2021. Further timetables will be dependent on the preferred solution.”</p> <p>If these are preparatory/investigative works required to begin designing the project, this should be explained.</p>
<i>Strategic fit</i>	<i>Complete Annex 1 at the end of this form.</i>
<i>Proposed outcomes</i>	<p>Short term: measures to address imminent threat from surface water flooding.</p> <p>Long term 90 properties move from high to moderate flood risk</p>
Value for Money	

The applicant has not been able to put forward an Economic Case for the project. Benefits have not been quantified in economic terms and are expressed at a very basic level. This needs to be discussed and agreed with the MCA Exec prior to the submission of the OBC.

Risk

Top 5 risks as presented in the business case:

1. Unforeseen Ground Conditions (Likelihood: Low / Impact: High)
2. Not securing the funding required (Likelihood: Low / Impact: Med)
3. Delays due to adverse weather, the scheme may be affected by further flooding event (Likelihood: Med / Impact: Med)
4. Availability of materials and resources, including labour (Likelihood: Med / Impact: Med)
5. Issues with tendering and appointing contractors (Likelihood: Low / Impact: Med)

Some of the measures proposed to mitigate these risks appear reasonable. These include, risk contingency, agreements in place for majority of funding. However, some mitigations are a confusing and not well explained. These include, extended lead times for material and for tendering/appointing contractors factored into timescales. Given the project is due to complete in Dec 2021 these appear unrealistic.

In addition to the above, although the project is only at SBC stage, cost certainty is still very low at 30%, given the works completion date of Dec 2021. Costs and timescales are therefore likely to change.

Delivery

According to the business case, works have already commenced and due for complete Dec 2021. Therefore, project is likely to complete before approval of MCA funds. Evidence of need therefore needs to be set out accordingly.

Legal

No satisfactory Subsidy Control opinion has been provided. The applicant has not been able to adequately explain why the project is Subsidy Control compliant.

Annex 1 – Strategic Policy Fit

To what extent does the project meet the MCA's strategic objectives as set out in the of the MCA Corporate Plan 2021-22?

Outcome	Strategic Objective	R/A/G Rating	Comments
Stronger Achieve sustained good growth,	Leading an economic transformation by: 1. creating not just a bigger economy but a better one: higher-tech, higher skill, and higher-value - backing wealth and job creators	R	

underpinned by productivity gains that exceed the UK average	2. enabling businesses to survive, adapt and thrive and be more innovative and resilient as we come out of the pandemic and resulting economic downturn	R	
	3. stimulating local economies by investing in the infrastructure, transport and digital capabilities to create jobs and transform places	A	
Greener Drive forward environmental sustainability to achieve our net-zero carbon target by 2040	Leading a green transformation by: 4. decarbonising our economy, regenerating the natural environment and accelerating Net Zero Carbon transition	R	
	5. capitalising on technological and scientific capabilities to improve the resilience and quantum of clean energy supply, storage, distribution and usage	R	
	6. revolutionising transport, getting South Yorkshire moving by foot, bike, bus, tram and train	R	
Fairer Unlock prosperity by eliminating the wage gap and health inequalities between South Yorkshire and the national average	Leading a wellbeing and inclusion transformation by: 7. raising quality of life, reducing inequality, and widening opportunity for South Yorkshire people	A	
	8. equipping people to contribute to and benefit from economic prosperity	R	
	9. supporting people to improve their skills, get back to work, remain in or progress in work, or set up in business and thereby accelerate social mobility	R	

Part B - Recommendation and Conditions

Recommendation	Proceed to Business Justification Case but the issues highlighted in this summary and the project assessment to be fully addressed before submission
Payment Basis	
Conditions of Award (including clawback clauses)	



