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Committees: Epping Forest and Commons Committee <i>[for decision]</i> Projects Sub <i>[for decision]</i>	Dates: 19 November 2021 17 November 2021
Subject: Wanstead Park Ponds Project Unique Project Identifier: 12058	Gateway 3: Outline Options Appraisal (Complex)
Report of: Executive Director Environment Report Author: Tim Munday, Environment Department	For Decision
<h1>PUBLIC</h1>	

1. Status update	<p>Project Description: An engineering assessment of the EA designated 'High Risk' ponds at Grade II* Wanstead Park. Identifying solutions that fulfil both the City's statutory duties and other works in the Wanstead Parkland Plan, contributing to the removal of the Heritage at Risk status.</p> <p>RAG Status: Green (Amber at last report to Committee)</p> <p>Risk Status: High (High at last report to Committee)</p> <p>Total Estimated Cost of Project (excluding risk and external funding): £750 000 - 1 million</p> <p>Change in Total Estimated Cost of Project (excluding risk): No change</p> <p>Spend to Date: £101,195 including commitments</p> <p>Costed Risk Provision Utilised: 0</p> <p>Funding Source: Central funding for this scheme was agreed 'in principle' from City's Cash reserves as part of the Fundamental Review. Additional funding for Option 3 would be sought from external sources for works outside this agreement.</p> <p>Slippage: <i>The progression to gateway 3 has been delayed by a further six months than anticipated due to need for additional surveys. The project is still due to complete in Spring 2024.</i></p>
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2. Next steps and requested decisions	<p>Next Gateway: <i>Gateway 4: Detailed Options Appraisal</i></p> <p>Next Steps:</p> <p><i>An in-depth appraisal of the outlined options will be carried out and taking account of proposed works in the park and the recommendations in the study.</i></p> <p>Requested Decisions:</p> <ol style="list-style-type: none">1. That the underspend of £30 000 from the Engineering Fees is reallocated to carry out further engineering consultancy.2. That additional budget of £51 000 is approved to reach the next Gateway;3. Note the revised project budget of £241 000 (excluding risk);4. Note the total estimated cost of the project at £500 000 - £1 million (excluding risk and possible external funding);5. That Options 2 and 3, revisor safety works and water balance interventions are approved for progression to detailed options appraisal stage												
3. Resource requirements to reach next Gateway	<p>For recommended options 2 and 3</p> <table><tr><th>Item</th><th>Reason</th><th>Funds/ Source of Funding</th><th>Cost (£)</th></tr><tr><td>Engineering consultancy professional fees</td><td>To provide professional input on water balance intervention and reservoir safety.</td><td>Reallocation from existing project budget</td><td>£32 000</td></tr><tr><td>Staff time</td><td>To carry out in-depth review of options and to undertake stakeholder engagement</td><td>Drawdown of central funding*</td><td>£49 000</td></tr></table>	Item	Reason	Funds/ Source of Funding	Cost (£)	Engineering consultancy professional fees	To provide professional input on water balance intervention and reservoir safety.	Reallocation from existing project budget	£32 000	Staff time	To carry out in-depth review of options and to undertake stakeholder engagement	Drawdown of central funding*	£49 000
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	Communicati on materials	To facilitate stakeholder engagement	Drawdown of central funding*	£2 000
	Total			£51 000 (£83 000 including reallocation of underspend)
<p>Costed Risk Provision requested for this Gateway: 0</p> <p>*Central funding for this scheme was agreed 'in principle' from City's Cash reserves as part of the Fundamental Review. Drawdown will require the further approval of the Resource Allocation Sub Committee.</p> <p>The District Surveyor and Environmental Resilience Director will be taking on the position of Project Board Chair upon the retirement of the Director of Open Spaces.</p>				
4. Overview of project options	<p>The project options that are to be considered cover a range, from the do-nothing option to a more comprehensive solution looking at long-term reservoir safety and ensuring the integrity of the dam structures for the future.</p> <p>The do-nothing option would likely result in an enforcement notice being served by the Environment Agency and is only being considered to demonstrate that inaction is not viable, it is not the preferred recommendation.</p> <p>A do-minimum option of only undertaking the reservoir safety measures recommended by the Panel Engineer with the required sensitivity for the park environment will also be looked at in detail.</p> <p>A further option that will in addition consider measures to manage the water balance will also be appraised. Ensuring a sufficient supply of water will be necessary for reservoir safety over the long-term and has benefits for addressing some elements of the Heritage at Risk status. Part of the supply currently comes from borehole abstraction for the aquifer, the license for this is due for renewal in March 2022 and a condition for renewal is to demonstrate that alternative means of supply are being considered.</p> <p>A project progress update outlining the proposed options was sent to the Epping Forest Consultative Committee in October 2021.</p>			

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5. Recommendation	<p>Staff will now undertake an in-depth appraisal of the options outlined and consider how best to fulfil the Panel Engineers recommendations and review a range of cost-effective interventions to managing the water balance to ensure the long-term safety of the reservoirs, with professional consultant support. This will be done in consultation with key stakeholders.</p> <ol style="list-style-type: none"> 1. To progress the appraisal of the following options <ol style="list-style-type: none"> a. Do nothing (not preferred); b. Reservoir safety items only, c. Reservoir safety items including water balance interventions for long term reservoir management. 2. To bring forward a comprehensive assessment of the above options to for Gateway 4. 3. To approve a drawdown of £51 000 on the capital funding for staff costs and consultation material.
6. Risk	<p>The project remains as a high risk due to the health and safety implications of the reservoirs and the Environment Agency's classification of the cascade. There also remains a reputational risk of inaction.</p> <p>Further information available in the Risk Register (Appendix 2) and Options Appraisal.</p>
7. Procurement approach	<p>The standard procurement process will be followed for appointing engineering consultancy.</p>

Background Papers

Epping Forest Consultative Committee - Wanstead Park Ponds Project Progress
Report October 2021

Appendices

Appendix 1	Project Coversheet
Appendix 2	Risk Register

Contact

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Options Appraisal Matrix

Option Summary	Option 1	Option 2	Option 3
1. Brief description of option	Do nothing This option is being considered to demonstrate the unviability of not taking action.	Reservoir safety items only This option would look at implementing the recommendations from the Wanstead Park Ponds Flood Study in way that is sensitive to the Park environment.	Reservoir safety items including water balance interventions for long term reservoir management. This option would be the same as option 2 but in addition look at measures to ensure a sufficient water level in the long term to protect the reservoir structures.
2. Scope and exclusions	<ul style="list-style-type: none"> Look at consequences of not progressing project. 	<ul style="list-style-type: none"> Look at recommendations to each pond Considering how to implement the measures in an appropriate way for the location 	<ul style="list-style-type: none"> Same as for option 2 Look at need for water balance interventions Assess suitable interventions on increasing water supply and reducing losses and availability of external funding opportunities.
Project Planning			
3. Programme and key dates	Overall project: February 2022 Key dates: <ul style="list-style-type: none"> Letter of response to EA. 	Overall Project: Spring 2024 Key dates: February 2022 - Gateway 4 October/November 2022 – Gateway 5 Spring 2023 – Start on site	

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		Spring 2024 – Completion of works	
4. Risk implications	<p>Overall project option risk: High</p> <ul style="list-style-type: none"> - In deciding to not progress the project further the EA would be put in a position where they were required to issue an enforcement notice, - Should this still result in no action the EA would undertake the required works themselves - The City Corporation then be liable for the expenses of works. 	<p>Overall project option risk: Medium</p> <ul style="list-style-type: none"> - There would be the usual risks associated with a constructions project of this kind. - By not addressing the water supply issues there would be a risk of missing an opportunity to secure a longer-term solution. - Potential reputational damage from public to the City Corporation failing to address Heritage at Risk element caused by the condition of the lake cascade 	<p>Overall project option risk: Medium</p> <ul style="list-style-type: none"> - There would be the usual risks associated with a constructions project of this kind. <p>Further information available within the risk register (appendix 2).</p>
5. Stakeholders and consultees	Environment Agency	<p>Environment Agency, Epping Forest Division, Epping Forest Consultative Committee, Epping Forest & Commons Committee, Epping Forest Verderers, London Borough of Redbridge, Local Redbridge ward Councillors, neighbouring residents, St Mary's Church Wanstead, Wanstead Golf Club, Blake Hall Sports Ground, Historic England, Greater London Archaeological Advisory Service (GLASS), Friends of Wanstead</p>	

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Option Summary	Option 1	Option 2	Option 3
		Parklands, WREN Conservation Group, Vision Redbridge Culture and Leisure	
6. Benefits of option	<ul style="list-style-type: none"> - None 	<ul style="list-style-type: none"> - Fulfils primary aim of project for statutory duty for reservoir safety. 	<ul style="list-style-type: none"> - Fulfils primary aim of project for statutory duty for reservoir safety. - Addresses long-term issues with water balance which will have benefits for long-term reservoir safety considerations. - Opportunity to seek additional external funding. - Positive reception from public that HARR issues are being addressed regarding the lake cascade
7. Disbenefits of option	<ul style="list-style-type: none"> - Reputational damage - No control over works or cost 	<ul style="list-style-type: none"> - Missed opportunities to address wider park issues and longer-term reservoir safety issues. - Potential negative public perception if wider water balance issues not tackled 	<ul style="list-style-type: none"> - Potentially increased costs compared to option 2 alone
Resource Implications			

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8. Total estimated cost	Likely cost range (excluding risk): £500 000 - £1.5 million (low confidence)	Likely cost range (excluding risk): £500 000 - £1 million (medium confidence)	Likely cost range (excluding risk): £750 000 - £1.2 million (higher limit dependent on securing further funding) (low confidence)
9. Funding strategy	- Central funding	- Central funding from City's Cash Reserves agreed in principle under the fundamental review.	- Central funding from City's Cash Reserves agreed in principle under the fundamental review - External grant funding (if identified and successfully applied for)
10. Investment appraisal	None		
11. Estimated capital value/return	£0		
12. Ongoing revenue implications	£0		
13. Affordability	<i>Complete this section in consultation with your Head of Finance Commentary on the affordability of the options</i>	Due to the essential statutory/ health & safety nature of this scheme, central funding was agreed as part of the fundamental review.	Due to the essential statutory/ health & safety nature of this scheme, central funding was agreed as part of the fundamental review. Additional items beyond the

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			essential statutory/health & safety would requires additional funding and be subject successfully applied for grant funding.
14. Legal implications	The City Corporation would not be fulfilling its legal responsibilities at reservoir owner in pursuing this route and susceptible to legal action by the enforcing authority.	The City Corporation would be fulfilling its legal responsibilities as reservoir owner.	
15. Corporate property implications	None.		
16. Traffic implications	Each option will result in a construction project occurring in the park. This would result in the usual traffic in the local area and the expectation is that would be managed as part of the construction works.		
17. Sustainability and energy implications	None		Increasing the about of water supplied by alternative sources to the borehole abstraction will reduce dependence of the groundwater supply, which will benefit the aquifer and lake levels.
18. IS implications	N/A		

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Option Summary	Option 1	Option 2	Option 3
19. Equality Impact Assessment	<i>N/A</i>		
20. Data Protection Impact Assessment	<i>N/A</i>		
21. Recommendation	<i>Not recommended</i>	<i>Recommended</i>	<i>Recommended</i>