
HAWICK FLOOD PROTECTION SCHEME

Report by Director of Environment & Infrastructure

SCOTTISH BORDERS COUNCIL

28 March 2013

1 PURPOSE AND SUMMARY

- 1.1 **This report seeks approval of the Preferred Hawick Flood Protection Scheme, and also authority for the Scheme's Project Board to commence taking this Preferred Scheme through the next stages of the Scheme's design.**
- 1.2 The Project Team provided an update on progress made in advancing the design of Hawick Flood Protection Scheme to Council on 21 June 2012. Furthermore, they proposed to present the proposed Preferred Hawick Flood Protection Scheme to Council on the satisfactory completion of Stage 3 (The Option Appraisal Process).
- 1.3 The Preferred Scheme is the Project Team's initial determination of the best combination of flood protection options through which the town of Hawick can be protected against a major flood event. The Preferred Scheme was determined by the Council's design consultant, Halcrow Group Limited (Halcrow), through a formal Option Appraisal Process that included a two day public exhibition in Hawick.
- 1.4 The Preferred Scheme will provide a major increase in flood protection to the town of Hawick. It will be designed to provide a level of protection against the 1 in 75 year flood event thereby protecting 915 residential and commercial properties. This will not include an allowance for climate change. This level of protection has been determined to be the maximum level of flood protection that can be delivered without building walls of an unacceptable height: and thus severing the town from its river and presenting many social, environmental and cultural heritage issues.
- 1.5 The Preferred Scheme has been developed such that the level of protection could be increased in future in a scenario where that was deemed to be appropriate. This potential is being mapped out through the Long-Term Strategy for Reducing the Flood Risk to Hawick and is being termed 'Future Flexibility'. Increased future flood protection could be achieved by: (1) increasing the flood defence's height; (2) providing upstream storage reservoirs that deliver flood attenuation; and (3) delivering Natural Flood Management throughout the catchment.
- 1.6 During the Option Appraisal Process the Project Team considered over 50 options. Some of these options, although entirely valid options, were recognised as being potentially controversial and / or could present significant difficulties in advancing through to obtaining an approved Scheme. It is therefore worth noting that the following potentially

controversial options were discounted, purely on the basis that they did not provide the best option for flood protection, and are therefore not included in the Preferred Scheme: (1) large upstream storage reservoirs; (2) removal of the Cobble Cauld; (3) removal / replacement of Albert Bridge; (4) raising of the James Thompson Footbridge and / or other bridges; and (5) gravel removal.

- 1.7 In the Sandbed area of the town it has been identified that there is a potentially enormous seepage risk due to the nature of the ground make-up. It is not possible to fully consider this risk at this stage of the project. The Project Team have therefore identified a 'preferred' and 'alternative' option at this location. This is an innovative method of dealing with a complex problem at this location during this stage of the Scheme. It has however resulted in there being a Preferred Scheme and an Alternative Preferred Scheme.
- 1.8 The Total Scheme Cost for the Preferred Scheme is £27.9M. This Scheme protects against benefits of £84.4M and therefore has a Benefit to Cost Ratio (BCR) of 3.03. Each of the six discrete cells within this Scheme has a BCR greater than 1.0.
- 1.9 The Total Scheme Cost for the Alternative Preferred Scheme is £29.2M. This Scheme protects against benefits of £84.4M and therefore has a Benefit to Cost Ratio (BCR) of 2.88. Each of the six discrete cells within this Scheme has a BCR greater than 1.0.
- 1.10 As can be seen from section 1.8 and section 1.9 of this report both the Preferred Scheme and the Alternative Preferred Scheme have a very healthy BCR. BCR alone is no longer seen as the primary driving requirement for a Scheme advanced under the new Flood Risk Management (Scotland) Act 2009 (2009 Act): however it is still very important. These figures demonstrate a highly worthwhile use of public money.
- 1.11 On 24 June 2010 after considering the revised *Strategy for Implementation of Flood Protection Schemes* the Council approved Hawick Flood Protection Scheme to be advanced to the end of Stage 3 (termed Option Assessment + Consultation 1 at the time) and that thereafter it would be progressed further to new approval and within the funding available (at that time).
- 1.12 The next Stage for the Scheme is Stage 4 (Outline Design). This stage involves undertaking substantial amounts of survey work and consultation. It will also include a second public exhibition. The consultant will develop an Outline Design of the Preferred Scheme's options. It is estimated that this stage will take approx. 15 months and will cost approx. £410k.
- 1.13 Once Stage 4 is complete the Scheme must undertake Stage 5 (The Statutory Approvals Processes). This is a key stage for the Scheme and once successful it results in an approved Scheme. A Scheme can only be considered for Scottish Government funding if it is approved under the 2009 Act. It is estimated that this stage will take a minimum of 7 months and will cost approx. £170k. In the event that there are objections to the Scheme then the time and cost could extend significantly.

2 RECOMMENDATIONS

2.1 **I recommend that the Council:**

- (a) Acknowledges progress in advancing the design of the proposed Hawick Flood Protection Scheme since June 2012;**
- (b) Approves the Preferred Hawick Flood Protection Scheme; and**
- (c) Agrees to delegate authority to the Scheme's Project Board to authorise the Project Team to commence Stage 4 (Outline Design) and Stage 5 (The Statutory Approvals Processes) of the Scheme's design.**

3 BACKGROUND

- 3.1 Hawick town has a history of damaging floods from both the River Teviot (which runs through the length of the town) and the Slitrig Water (which enters the Teviot by the town centre). The following events are noted:
1. In October 2005 flooding of the River Teviot caused extensive inundation of the urban areas adjacent the River Teviot. This was an approximate 1 in 50 year flood event: it affected hundreds of properties and caused millions of pounds of damage;
 2. In January 2005 a similar but less severe event occurred. This was an approximate 1 in 25 year flood event; and
 3. Major flood events on the Slitrig Water were recorded in 1767 and 1846 amongst other events.
- 3.2 On 4 September 2007 the Council approved an Implementation Strategy for the delivery of flood protection schemes in the Borders. The prioritisation of schemes was to be for: (1) Galashiels; (2) Selkirk; and (3) Hawick, in that order. The Galashiels FPS was approved in 2010, is fully funded, and is programmed to commence construction during 2013. The Selkirk FPS was approved in 2012, expects to be invited to bid for Scottish Government funding in 2013, and is programmed to commence construction in 2014. In line with this programme this report concludes the early stages of the design of the Hawick FPS.
- 3.3 In December 2011 the Scottish Government changed the mechanism through which they fund flood protection schemes by reverting to providing 80% funding for eligible schemes (i.e. that are approved under the Flood Risk Management (Scotland) Act 2009 (2009 Act) and meet all other eligibility criteria). This marks a sea change in their approach to funding for eligible schemes and further to this changes of strategy and the Council's consideration of the Hawick FPS in June 2012 the priority for the Scheme is to achieve an approved scheme. Only scheme's that have been approved are eligible to be considered for Scottish Government funding.
- 3.4 The Project Team have developed a process through which flood protection schemes are advanced. This consists of eight discrete stages. A schematic programme has been provided in Appendix A of this report that details the estimated programme for each of those stages.
- 3.5 The Project Team have been working on the design of the Hawick FPS since the autumn of 2009. Due to financial restrictions over that timescale this has taken a little longer than initially anticipated however an innovative approach was developed to advance the Scheme's design. This was possible because of: the significant experience gained by the Project Team in previously advancing the Galashiels FPS and the Selkirk FPS; and the partnership working approach developed between the Council's Project Management section and our framework design consultant's, Halcrow. It also recognised the distinct possibility that there was a very real possibility that it might not be possible to advance a flood protection scheme for Hawick due to: (1) the very large flood risk; (2) the significant constraints provided by Hawick's built environment coming to the edge of the river; and (3) the probable huge financial cost in delivering a scheme.
- 3.6 Further to the constraints identified in section 3.5 of this report this report is delighted to identify that these constraints they have now all been overcome. The Council was protected over the past 3 years by advancing the design in mini-stages with each stage being completed and confirming

that the Scheme was possible before another was commenced. The town is Hawick has benefited because an overarching strategy for the reduction of flood risk to Hawick was developed: this has resulted in minor works through the town that reduce the flood risk to those most at risk being delivered already; and the Scheme most importantly, from the perspective of this report, the Scheme has been advanced diligently and in accordance with the appropriate regulations and guidelines. This report presents the outcome of that effort.

4 INITIAL PROGRESS

4.1 The initial progress in advancing Hawick Flood Protection Scheme was detailed in full through the report presented to Council on 21 June 2012. The following main points are noted here:

- (1) An updated 1D to 2D hydro-dynamically linked model of the River Teviot through Hawick was developed and provides a sophisticated tool through which the flood risk to Hawick can be analysed. SEPA has approved the hydrology on which the model is built and it has been agreed that the flood risk presented by the revised model supersedes all previous versions.
- (2) The onset of flooding in Hawick is at the low end of the flood event scale and flooding is experienced from (approximately) the 1 in 5 year flood event in some locations (e.g. Wilton Park; adjacent the High School; and at the Albert Park Football Club). By the 1 in 75 year flood event most of Hawick's flood prone area is under water;
- (3) Over 1,000 properties are at risk from the 1 in 200 (plus climate change) flood event in Hawick; and
- (4) It was recognised from the beginning that the acceptable height of any proposed defences through the town would be key limiting factor.

5 THE PREFERRED HAWICK FLOOD PROTECTION SCHEME

- 5.1 The Preferred Hawick Flood Protection Scheme (the Scheme) involves a series of measures that will reduce the flood risk to the town of Hawick and its environs. It was developed by the project consultant, Halcrow, through Stage 3 of the Scheme's design. An Option Appraisal Process was undertaken that included many meetings with key stakeholders and a public exhibition to which the people of Hawick were invited.
- 5.2 This Scheme is being promoted under the new Flood Risk Management (Scotland) Act 2009 (2009 Act) and has embraced its ethos of Sustainable Flood Management, Natural Flood Management, and a Catchment Based understanding of the flooding problem. A map outlining the Hawick Catchment is provided in Appendix B to this report.
- 5.3 The Scheme has been designed in accordance with the 2009 Act, the Flood Risk Management (Flood Protection Schemes, Potentially Vulnerable Areas and Local Districts) (Scotland) Regulations 2010 (2010 Regulations), and the appropriate guidelines for designing such a scheme.
- 5.4 To ensure that the Scheme complies with the current Scottish Government guidelines for undertaking an Economic Appraisal for a Flood Protection Scheme, and in order to generate the Benefit Cost Ratio (BCR), it was necessary to split Hawick into distinct 'Cells'. A Flood Cell is a specifically defined and isolated geographical area which is separately

considered (as a block of land and property) for economic appraisal purposes. The economic benefits from one flood cell cannot be used to subsidise the economic benefits of another flood cell. A map detailing the flood cells for the Scheme is provided in Appendix C of this report.

- 5.5 The Project Team developed a set of project objectives for the Scheme. These objectives were primarily developed to set a framework through which the Scheme design could be advanced in accordance with the 2009 Act and the criteria defined in section 5.3 of this report. These objectives also set objectives / parameters that were critical to the Council, the environment and the town of Hawick. A copy of the final report defining the project objectives is provided in Appendix D of this report.
- 5.6 The Option Appraisal report is a large and complex report. This report extracts the key points for consideration by the Council. The full Option Appraisal report will be available in the members support office for members to review.
- 5.7 The Non-Technical Summary of the Option Appraisal report has been provided in full in Appendix E of this report for your consideration.
- 5.8 The following are the key points of note relating to the Scheme:
- (1) The Scheme will protect against flooding from the River Teviot through the length of the town of Hawick;
 - (2) The Scheme will protect against flooding from the Slitrig Water between Drumlanrig bridge and when it joins the Teviot;
 - (3) The Scheme will not protect against the Slitrig above Drumlanrig Bridge;
 - (4) A uniform level of protection will be provided to all areas of the town that are being protected. This will be against the 1 in 75 year flood event. This does not include an allowance for climate change;
 - (5) The foundations of the flood defences will be designed such that the defence heights can be increased to protect against the 1 in 100 year flood event;
 - (6) The total length of flood defences will be approx. 5.5km;
 - (7) The average height of the flood defences will be approx. 1.5m above existing ground level;
 - (8) Where the height of the new flood defences is greater than 1.4m it is intended to raise the existing ground level behind the new defences to restrict the height to no greater than 1.4m;
 - (9) It will be required to provide seven new flood gates; and
 - (10) New flood walls and embankments will be provided, however wherever it is possible the Scheme will incorporate the walls that currently exist at the edge of the river.

5.9 The Preferred Scheme is a combination of the best options, as determined by the Optional Appraisal Process. These options have been combined to form a Flood Protection Scheme for Hawick. These options are summarised in Table 5.9 of this report (below).

Summary of the Preferred Scheme (by cell)			
Cell No.	Cell Name	Level of Protection Proposed	Brief Description of Preferred Options
1	Volunteer Park, Hawick High School & Sandbed	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • Solution at Volunteer Park to accommodate flood protection and proposals by Bill McLaren Foundation • Raise height of existing High School flood wall • Retention and flood-proofing of existing buildings at Ellabank, Royal Mail Sorting Office, Orrock Hall, Sonia's Bistro • New flood wall from Sonia's Bistro to Drumlanrig Bridge • Automatic pumping station in Sandbed • High capacity drainage system behind defences
2	Common Haugh & Commercial Road	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • New flood embankment and wall along outside of Common Haugh car-park • Retention and flood-proofing of existing buildings at Hawick Burn's Club • New flood walls from Burn's Club to Commercial Road • Upgrade walls on Commercial Road to flood walls with new flood gate at footbridge • High capacity drainage system behind defences
3	Teviot Road, Teviot Crescent & Laidlaw Terrace	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • Upgrade walls on Mill Port to flood walls • Interface with historical Slitrig Water Mill Lade • Modifications to access to James Thompson Footbridge and new flood gate • Upgrade walls on Teviot Road to flood walls

			<ul style="list-style-type: none"> • Provide new set-back flood embankment around park at Under Haugh • New flood gate to Victoria Bridge • New flood wall / upgrade existing walls to flood walls from Victoria bridge to North Bridge • High capacity drainage system behind defences
4	Duke Street	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • New flood wall along line of existing railings to Noble Place with new flood gate at footbridge • Continue new wall to tie into high ground behind Glebe Mill • High capacity drainage system behind defences
5	Mansfield Road (including HRFC to SBC Depot)	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • New flood wall along line of existing railings to HRFC with new flood gate at footbridge • New flood embankment by HRFC on existing grass but retaining approx. 105 parking spaces by road • New flood walls and embankments from HRFC to tie into high ground beyond the existing SBC Depot • High capacity drainage system behind defences
6	Weensland	Against 1 in 75 year flood event	<ul style="list-style-type: none"> • New flood embankment just outside existing buildings and yards crossing former Mill lade to tie into high ground at A698 • High capacity drainage system behind defences
7	Natural Flood Management	N/A	<ul style="list-style-type: none"> • Cell 7 is the catchment behind Hawick. It is not proposed to include for NFM across the catchment in the Preferred Scheme. There are currently significant efforts being made by the Scottish Government, SEPA and others to advance NFM science. It is there

			proposed that NFM – Cell 7 is reviewed during Stage 4 and consideration made at that point as to whether it is included in the Scheme
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Table 5.9 – Summary of the Preferred Scheme

- 5.10 Due to a number of issues that cannot be resolved at this stage in the Scheme’s design there are a number of options where it is not possible hold a high degree of certainty that the ‘preferred option’ is feasible: primarily from a technical perspective, but it must also be recognised that their feasibility may also be compromised by social, environmental, cultural heritage and / or economic influence. In these locations the Project Team have developed the following approach:
- (1) The Preferred Scheme (as summarised in Table 5.9) is composed of the ‘preferred’ option at each location;
 - (2) The Alternative Preferred Scheme (as summarised in Table 5.13) is composed of the ‘preferred’ option at all locations where the Project Team holds an acceptable level of confidence over the option chosen and the ‘alternative’ options at all other locations.
- 5.11 During Stage 4 (Outline Design) the Project Team will undertake a number of detailed surveys along the area of the Preferred Scheme: Topographic, Ground Investigation, Environmental, Structural, and Contaminated Land. The information gained from these surveys will allow key design models to be built: (1) a structural model; and (2) a seepage model. These will work in parallel with the existing hydraulic and economic models. In combination these models, along with the Project Team’s design work and consultation will allow a determination to be made as to whether or not each ‘preferred’ option is viable.
- 5.12 Further to section 5.11 of this report, it is noted that in the event that a ‘preferred’ option is deemed to be not viable then the Project Team will discontinue advancing the ‘preferred’ option and undertake a detailed analysis of the ‘alternative’ option. This process is the normal process that the Project Team would undertake during Stage 4 for all options. This process is only highlighted in this instance due to the high degree of uncertainty regarding the options where both a ‘preferred’ and ‘alternative’ option has been stated.
- 5.13 The Alternative Preferred Scheme is a combination of the best options and a number of ‘alternative’ options, as determined by the Optional Appraisal Process. These options have been combined to form a Flood Protection Scheme for Hawick. These options are summarised in Table 5.13 of this report (next page). This table only deals with the options that are ‘alternative’. In all other instances the Preferred Scheme is identical to that detailed in Table 5.9 of this report.

Summary of the Alternative Preferred Scheme (by cell)			
Cell No.	Cell Name	Level of Protection Proposed	Brief Description of Preferred Options
1	Volunteer Park, Hawick High School & Sandbed	Against 1 in 75 year flood event	<ul style="list-style-type: none"> Retention and flood-proofing of existing buildings at Ellabank, Royal Mail Sorting Office, Orrock Hall, Sonia's Bistro <p>REPLACED BY:</p> <ul style="list-style-type: none"> New flood wall from Lawson Bridge to Albert Bridge and from Albert Bridge and approx. 15m around and past Sonia's Bistro to meet new flood wall continuing to Drumlanrig Bridge. This new wall will be offset by approx. 2m from the existing buildings and will be located in what is currently river bed
2	Common Haugh & Commercial Road	Against 1 in 75 year flood event	<ul style="list-style-type: none"> Retention and flood-proofing of existing buildings at Hawick Burn's Club <p>REPLACED BY:</p> <ul style="list-style-type: none"> New flood wall from Albert Bridge and Hawick Burn's Club to meet new flood wall on continuing to James Thompson Bridge and onwards. This new wall will be offset by approx. 2m from the existing buildings and will be located in what is currently river bed

Table 5.13 – Summary of the Alternative Preferred Scheme

6 IMPLICATIONS

6.1 Financial

- (a) Table 6.1(a) provides a summary of the main financial estimates associated with the Preferred Scheme.

Detail of the Preferred Scheme Total Scheme Cost (By cell)				
Cell No.	Cell Name	Present Value Costs (Q3 2012)		
		Capital & Maintenance Costs	Benefits	Benefit to Cost Ratio (BCR)
1	Volunteer Park, Hawick High School & Sandbed	£4,594,784	£16,453,987	3.58
2	Common Haugh & Commercial Road	£4,684,635	£21,734,876	4.63
3	Teviot Road, Teviot Crescent & Laidlaw Terrace	£4,182,320	£8,907,724	2.13
4	Duke Street	£3,505,975	£17,216,378	4.91
5	Mansfield Road (including HRFC to SBC Depot)	£8,726,800	£17,463,660	2.00
6	Weensland	£2,284,447	£2,617,206	1.26
7	Natural Flood Management (NFM)	£0	£0	0
TOTALS		£27,968,961	£84,393,831	3.02

Table 6.1(a) – Summary of the Alternative Preferred Scheme

- (b) Table 6.1(b) provides a summary of the main financial estimates associated with the Alternative Preferred Scheme. The costs / values that are difference from those in Table 6.1(a) are highlighted red for ease of reference.

Detail of the Alternative Preferred Scheme Total Scheme Cost (By cell)				
Cell No.	Cell Name	Present Value Costs (Q3 2012)		
		Capital & Maintenance Costs	Benefits	Benefit to Cost Ratio (BCR)
1	Volunteer Park, Hawick High School &	£5,623,984	£16,453,987	3.67

	Sandbed			
2	Common Haugh & Commercial Road	£4,956,235	£21,734,876	4.63
3	Teviot Road, Teviot Crescent & Laidlaw Terrace	£4,182,320	£8,907,724	2.13
4	Duke Street	£3,505,975	£17,216,378	4.91
5	Mansfield Road (including HRFC to SBC Depot)	£8,726,800	£17,463,660	2.00
6	Weensland	£2,284,447	£2,617,206	1.26
7	Natural Flood Management (NFM)	£0	£0	0
TOTALS		£29,279,761	£84,393,831	2.88

Table 6.1(b) – Summary of the Alternative Preferred Scheme

(c) The following key points are notes in relation to the estimates in Tables 6.1(a) and 6.1(b):

- (1) The Scheme was estimated in quarter 3 of 2012 (Q3 2012);
- (2) The estimated costs includes for all monies spent to date and all future capital, design, land purchase, contractor's costs, service diversions, optimism bias, and climate change @ 20% on peak flows;
- (3) These costs do not include for inflation;
- (4) The use of Optimism Bias is recommended by HM Treasury's 'Green Book';
- (5) The application Optimism Bias is recommended by the DEFRA Flood and Coastal Erosion Risk Management Appraisal Guidance (FCERM-AG) and the Optimism Bias applied at specific locations has been determined through a calculator;
- (6) The Scottish Government has reviewed the Economic Appraisal for the scheme and is satisfied with the approach taken by the Halcrow and the use of Optimism Bias;
- (7) It is intended to undertake a full review of the level of Optimism Bias used during the next Stage of the Scheme Design (Outline Design). Halcrow have identified that the Scottish Government consider it acceptable to reduce the level of Optimism Bias applied to the Present Value Costs once Outline Design is undertaken;
- (8) The Total Avoided Damages (or Benefits) have been calculated in line with the current DEFRA FCERM-AG and following best practice using "*The Benefits of Flood and Coastal Risk Management: A Manual of Assessment Techniques*" (Flood Hazard Research Centre, 2005), often referred to as the Multi Coloured Manual or MCM. The MCM method provides the user with mechanisms to estimate the

likely damages caused by flooding. The manual includes methods to assess the following types of damages: (i) damage to residential properties and the expense of clearing; (ii) damage to non-residential properties and the expense of clearing up; (iii) damage to agricultural land and the expense of clearing up; (iv) damage as a consequence of the closure of transport links; (v) expense incurred by emergency services; (vi) damage caused by the loss of energy supply; and (vii) intangible damage caused by flooding e.g. stress and poor health. The costs of these damages are not specific costs that would be incurred by SBC: they are the total costs that could be expected to be borne by all parties in the event of the flood being realised.

- (d) The Benefit to Cost Ratio (BCR) for the Preferred Scheme is 3.02. In the event that it is required to utilise the 'alternative' options that these estimates indicate that the minimum BCR is 2.88. These are both excellent BCR's; Table 6.1(d) has been provided so that the BCR for the Scheme can be placed within the context of a number of other recently advanced flood protection schemes. The Scheme's BCR confirms that providing a flood protection scheme for Hawick is a very good use of public money.

Flood Protection Scheme	Benefit Cost Ratio (BCR)
Hawick	2.88 → 3.02
Selkirk	2.24
White Cart Water (Glasgow)	2.23
Elgin	1.4
Broxburn	1.2

Table 6.1(d) – BCR comparison table with other recent FPS's

- (e) There are many social benefits to reducing the flood risk to Hawick. It is intended to fully quantify these during the next stage of the scheme design, however the Preferred Scheme has identified that 915 properties will be protected. There are also many other social benefits which are difficult to quantify: the reduction in fear associated with living in an area that floods; the potential to unlock development in designated business areas; a reduction in insurance premiums; the protection of essential infrastructure etc.
- (f) This report recommends that Council: (1) acknowledges progress in advancing the Scheme; (2) approves the P Preferred Scheme; and (3) provides the Scheme's Project Board with authority to undertake Stage 4 and Stage 5 of the design. There are no financial implications in relation to item (1) and (2) above as these actions are covered within the existing flood protection programme budget. In the event that Council provide permission to undertake Stage 4 and Stage 5 of the design there will be financial implications.

- (g) The Flood & Coast Protection programme budget from the Council's Capital Financial Plan between the financial years 2013/14 and 2022/23 is included in Appendix F of the report. The line relating to Hawick FPS has been highlighted yellow for ease of reference. This budget allocates a total of £2.16M over the period for the Scheme. It does not however allocate sufficient funding in the correct places to allow Stage 4 and Stage 5 design to be undertaken.
- (h) Whilst there is a huge degree of uncertainty relating to programme beyond the end of Stage 5 due to the iterative nature of the design and the requirement to have the Scheme approved under the 2009 Act the Project Team estimated the lightly spend profile through a Project Outline Business Case (POBC) in September 2012. A copy of the POBC Financial Plan is provided in Appendix G. Now that the Preferred Scheme has been determined it will be possible to undertake a revision to this POBC. It is proposed that this activity is undertaken next year and that the revised Cost Plan will be incorporated into the Stage 4 Plan for review by the Project Board before they authorise the commencement of Stage 4.
- (i) In the longer term the financial implications relate to the overall Total Scheme cost. Delivery of the Scheme as set out will require significant support from the Scottish Government.
- (j) If the whole project does not proceed there may be some element of capital cost already incurred that will have to be written off to revenue.

6.2 Risk and Mitigations

There are many risks to the Scheme. All risks that were relevant to the current stage (Stage 3 – Option Appraisal Process) are considered to have been removed thereby allowing this report to be presented to Council. Once Stage 4 (Outline Design) is commenced a full review of risk for that stage and for the rest of the project will be undertaken.

6.3 Equalities

There are currently no known equalities implications associated with this report. A full review of the equalities implications of the Scheme will be undertaken during Stage 4 (Outline Design).

6.4 Acting Sustainably

There are currently no known sustainability implications associated with this report. A full consideration of the sustainability implications of the Scheme will be undertaken during Stage 4 (Outline Design).

6.5 Carbon Management

There are currently no known carbon implications associated with this report. A full consideration of the carbon implications of the Scheme will be undertaken during Stage 4 (Outline Design).

6.6 Rural Proofing

N/A

6.7 Changes to Scheme of Administration or Scheme of Delegation

N/A

7 CONSULTATION

- 7.1 The Preferred Scheme has been developed through a process of consultation with key stakeholders and the people of Hawick. This consisted of many individual meetings, working groups and a public exhibition held in Hawick in June 2012.
- 7.2 The Preferred Scheme was reviewed and considered by the Hawick Councillors, the Scheme's Project Board and the Council's CMT and their comments have been incorporated into the report.
- 7.3 The Chief Financial Officer, the Head of Legal and Democratic Services, the Head of Audit and Risk, the Head of Social Work, the Clerk to the Council and Corporate Communications have been consulted and their comments have been incorporated into the report.

Approved by:

Director of Environment & Infrastructure

Signature.....

Name	Designation and Contact Number
Steven Renwick	Hawick FPS - Project Executive - 01835 826687
Conor Price	Hawick FPS - Project Manager - 01835 826765

Background Papers: None

Previous Minute Reference: Scottish Borders Council, 21 June 2012

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