

## **Lender Technical Advisor Summary Report October 2014**

### **1. MANAGEMENT SUMMARY**

This Lender and Technical Advisor construction summary report covers activities and progress during October 2014. This is a summarised version of the detailed report received from the Owners Engineer and provides information on the information relevant to the 'bank' relationship.

#### **1.1 Project Progress**

Over 44,000m<sup>3</sup> of material has been excavated from inside the perimeter retaining wall, and the excavation has now reached the -8m level (below natural surface level). To date all excavated mudstone has been transferred to the Hill and Moor Landfill site, although new arisings are now being transferred to the closer A&B landfill site at Stourbridge.

Installation of male and female piles in the perimeter secant pile wall continues.

An Approved Programme is not yet in place, but it is hoped that revision 8, due by 21/11/14, will address all the remaining minor issues.

The plant's due date for Take Over is 28th February 2017, although the [REDACTED] is targeting early completion by 18th November 2016.

#### **1.2 Financial and Commercial**

It is likely that up to four milestone payment applications may be made within the next month. These include:

- Draft P&IDs;
- Enabling Works complete - part 2, for the long term site cabins;
- Issue of complete piling design package;
- Piling to boiler house installed, as per the piling schedule; and
- Bunker foundation design complete.

Five Variation Orders have been issued this month against Technical Queries which change the Specification. Only one of these Variation Orders, removal of the waste bunker intermediate wall, results in an adjustment to the contract price.

### **2. PROGRAMME AND PROGRESS**

#### **2.1 Project Status**

At present only civil works are being undertaken on site.

#### **2.2 Programme**

The Approved Programme is not yet in place. [REDACTED] have issued a letter which states that they will address the vast majority of the outstanding comments in revision 8 of the programme, which is due to be issued before 21/11/14. Should this prove to be the case, then revision 8 will be accepted as the Approved Programme.

#### **2.3 Planning**

[REDACTED] has discharged all Planning Conditions precedent to commencement of the construction works. There are no further conditions which need to be discharged in the immediate future.

Based on recent discussions between [REDACTED], [REDACTED] and the Planning Authority it is believed that all planning changes can be approved as non-material amendments (section 96A) to the planning. This would enable the Planning Authority to approve the changes without further consultation, typically within 28 days.

An updated set of architectural drawings is to be produced by [REDACTED] incorporating each of the proposed amendments listed above. Once the updated drawings have been received, a formal application can be made; this should be around early to mid-December.

## **2.4 Other Consents and Licenses**

[REDACTED] obtained a flood defence consent from Wychavon district council for a temporary drainage scheme. An extension to this consent has now been received from Wychavon district council, which was required as the Permanent Drainage scheme is not yet finalised.

## **2.5 Predicted Take-Over Date**

At this stage [REDACTED] have confirmed that they are still targeting completion by the 18th November 2016, in advance of the due Take Over date of 28th February 2017. However they have acknowledged that the earlier target date is subject to the final hand over date from [REDACTED].

It is now anticipated that hand over of the boiler hall will be provided 4 weeks later than programmed. [REDACTED] has suggested that this delay can be recovered in the boiler erection programme without impacting the date for the pressure test; however any further slippage could affect the target Take Over Date.

## **2.6 Key Events**

Once an Approved Programme is in place, [REDACTED] (as Owners Engineer) will identify various key events for which the scheduled date will be monitored in the programme updates to help track progress and identify slippage.

## **2.7 Activities Planned Next Period**

The following activities are planned for November 2014:

### Earthworks

Complete removal all surplus excavated material from site for Phase 1 & 2 Bulk Earthworks.

Commence Phase 3 earthworks to enable capping beam construction.

### Perimeter Retaining Wall

Continue installation of male piles to perimeter secant pile wall.

Commence construction of Perimeter Retaining Wall Capping Beam.

Commence installation of Ground Anchors.

### Works at -8.0m Level

Complete construction of the bunker secant pile guide walls.

Complete installation of load bearing piles to Boiler Area & Administration Building.

Commence installation of bunker secant piles to -8.0m level.

Commence installation of under slab drainage.

### Works at 0.0m Level

Install remaining diversion pipe work - effluent main and western diversion.

Temporary Works – General

Complete installation of proposed main site accommodation.