

Case Study: Innovative Decommissioning Solution Made Major Project Possible

A major project to decommission one of Europe's largest former pipe manufacturing plants was carried out at no cost to its owner, thanks to CDM co-ordinator and specialist project management consultancy RVA Group.

Cast iron technology leader Saint-Gobain PAM UK had initially thought that the cost to deplant and demolish the former Central Melting Plant (CMP) and adjacent Hallam Plant at Stanton-by-Dale, Ilkeston – which ceased production in 2006 – would be excessive and therefore prohibitive. However after appointing RVA, Saint-Gobain was assured that the project would not only be self-funding, but would in fact generate a positive return.

Saint-Gobain PAM UK finance director Nick Cammack said: "We knew we needed to address the issue, but given the economic climate, the timing wasn't ideal. Initially we were looking to dismantle elements of the plant for scrap whilst mothballing the remainder of the buildings, believing this would be the safest and most cost effective option.

"But we brought in RVA to conduct a series of feasibility studies that would investigate and cost the different solutions available to us. The team came back to us with a number of innovative opportunities, one of which had the potential to be cash generative."

RVA's in-depth evaluation provided a new perspective and it soon became apparent that the safest and most financially gainful solution was complete clearance of the site, which would generate sufficient funds from scrap materials to cover the cost of the project.



RVA was so confident that the project would, as a minimum, fund itself that it was willing to put a proportion of its fee at risk, should projected targets not be met.

The team of specialist consulting engineers then carefully devised a best value contractor works specification, and played an integral part in appointing a demolition firm to undertake the nine-month decommissioning contract.



Nick continued: "We'd had positive experiences working with RVA in the past, including on a 38-week project at Staveley Works which was executed to a fantastic standard. We knew they could be relied upon, so we didn't even approach anyone else."

"If, in this case, it was proved the project couldn't fund itself, we wouldn't have decided to go ahead. We couldn't afford to embark upon an expensive decommissioning venture, but RVA's independent, impartial guidance and thorough insight has been invaluable to us. It's our belief that no other company is comparable to RVA in their field."

RVA continued its role as project manager and CDM co-ordinator for the duration of this decommissioning project.

The deep recession is causing many companies to think very carefully before embarking on what may be seen as non-essential spend. This often results in the postponing of important dismantling and decommissioning projects as they are simply deemed unaffordable, albeit they will have to be tackled at a later date and in most cases at an increased cost.

RVA Group recognises that not all projects can be cash positive or even cost neutral. However, by bringing in specialists like RVA with the expertise to investigate different options, companies can make informed decisions and demonstrably save money in the long run.

RVA's knowledge of surplus capacity in the competent supply chain, combined with carefully specifying the work scope for example– stripping out all non-essential elements from the contractor's brief without comprising safety or quality– can ensure robust and cost-effective solutions are devised. Consequently, direct liabilities such as hazardous material containment, security and maintenance costs, as well as unavoidable overheads such as local authority building rates, are removed.

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