

Supplement to the agenda for

General scrutiny committee

Friday 29 March 2019

10.15 am

**Council Chamber, The Shire Hall, St Peter's Square, Hereford,
HR1 2HX**

Supplement 5 - Questions redirected to officers for response

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PUBLIC QUESTIONS TO GENERAL SCRUTINY COMMITTEE – 29 March 2019

Redirected for response by officers.

Question 1

Ms J Tonge Hereford

The Hereford Bypass / Western Relief Road is acknowledged to be dependent on the Southern Link Road, which continues to be an unfunded development proposal. Will the Committee recommend that further expenditure on the HTP, including the £3.5 m made the subject of a call-in, be halted until the SLR is a fully viable project?

Response

The Southern Link Road is a viable project which has been demonstrated by the Strategic Outline business case for the project which is published on the council's website. This sets out that the SWTP demonstrates strong value for money in accordance with the Department for Transport business case process and on this basis growth funding of £27m was secured for the project. This will be the subject of the sign off of the full business case for the scheme in line with the DfT webtag process.

It is worth noting that the Inspector who considered the CPO & SRO orders in October / November last year set out in his report that on the basis of the evidence before him there is nothing to suggest that the Council will not be successful in obtaining the necessary funding for the SWTP, as the evidence shows that the Scheme is predicted to perform well against the objectives set out in the SOBC, and would represent very good value for money using standard DfT methodology, with a strong BCR of 3.55. These clear Scheme benefits and the absence of any firm economic evidence to the contrary lead him to conclude that the objections made in this regard at the Inquiry cannot be supported.

Question 2

Mr E Morfett Hereford

The Capital Funding Request Business Case for the HTP, at page 11 of Appendix 3, states *"The current estimated outturn cost of the HTP project is £186m which comprises an estimated cost of £153m for the Hereford bypass and an indicative cost of £29m for walking, cycling, bus and public realm improvements."* The sum of £153m and £29m is £182m, not £186m. Will the scrutiny committee seek an explanation for the variance of £4m?

Response

This was a typographical error in the report. The subsequent table within the business case, the cabinet member report which the GOSC committee considered on the 29 March 2019 and the July 2018 cabinet paper all confirm the HTP costs to be a sum of £153m estimated cost of the bypass and an estimated cost of £29m for walking, cycling, bus and public space improvements which totals £182m.

Question 3

Mr J Milln Hereford

The Capital Programme 2019/20 Onwards and Capital Strategy presented to full council on 15 February assesses the 'deliverability' of the HTP as 3 (out of 4), at para 9. Will the Scrutiny committee ask the Cabinet member responsible to justify this high score given that the HTP is unfunded, does not have a detailed design or planning permission, enjoys little public support, and depends on successful delivery of the as yet unfunded Southern Link Road?

Response

The HTP scoring in that report reflected the strong policy basis for the scheme and the stage of the project at that time which had developed from a long list of possible route options to a preferred route for the bypass following consideration by GSC and cabinet last July. The scoring also reflected the strong value for money case for the scheme set out in the SOBC in 2014 and the public support for the bypass which was clearly set out in the feedback to the consultation held early 2018. The strong value for money case for SLR and secured funding for the scheme also contributed to this scoring. This score was given for the funding request of £3.5m and not delivery of the full package. This would be reviewed if a full request is put to Council.

Question 4

Ms K Sharp Hereford

Funding for the first part of the bypass, the Southern Link Road, has not yet been secured from the Department for Transport as Herefordshire Council won't be producing a full business case until later in the year. Residents have recently heard that the funding available for active travel measures in the South Wye area have had to be cut by £3million. Why then was a decision taken to progress the next stage of the bypass at a cost of £3.65million when Herefordshire Council don't know that they can complete the first part of the bypass?

Response

The council has demonstrated to DfT that there is a strong value for money case for the Southern Link Road and has achieved significant milestones to the delivery of the scheme – securing the CPO & SRO orders needed to deliver the scheme following confirmation by the Secretary of State that he sees no reasons not to confirm the orders. £27m funding has been secured to deliver the scheme subject to sign off of the full business case.

It is worth noting that the Inspector who considered the CPO & SRO orders in October / November last year set out in his report that on the basis of the evidence before him there was nothing to suggest that the Council will not be successful in obtaining the necessary funding for the SWTP, as the evidence shows that the Scheme is predicted to perform well against the objectives set out in the SOBC, and would represent very good value for money using standard DfT methodology, with a strong BCR of 3.55.

Question 5

Mr A Morawiecki, Breinton

My question is "In July 2018 the Cabinet was advised by Balfour Beatty and WSP, on progressing the further development of a bypass route at a cost of £2.54million. These companies were then employed to undertake the additional contract work without going

through any public tender process. The HTP work costing £3.65million is apparently to be treated as another extension of the Herefordshire Council contract with Balfour Beatty and will also not go through a competitive tender process. To ensure that the Council is being advised by people with no conflicts of interest and there is no element of bias on placing this project work or its high cost, who has provided independent advice to the Council and is not directly employed or associated with Balfour Beatty through other contracts?”

Response

BBLP and their sub-consultants WSP professional services costs associated with the preparation of this project are procured through the council's Public Realm contract and form part of the council's annual plan and is not an extension as suggested in the question. This public realm contract was awarded to BBLP following a competitive OJEU procurement process in 2012/2013 and design professional services are within the scope of this contract. BBLP and WSP provide professional design resource to deliver this project and provide a fee proposal for delivery of the project which is scrutinised and challenged as part of the annual plan commissioning process. Annual fee proposals are reviewed and monitored prior to work commencing and are subjected to robust change control mechanisms

Question 6

Mrs C Protherough, Clehonger

“The Capital Programme 2019/20 Onwards and Capital Strategy presented to full council on 15 February assesses the ‘legal need’ for the HTP as 1 (out of 4), at para 9. In the light of this low score, will the Scrutiny committee ask the Cabinet member responsible to justify the decision to expend £3.65 million?”

Response

A capital project will only score high in the legal category if it is a statutory duty of the Council. There are a number of projects that progressed for approval at Council where the legal score was a one. For the purpose of recommendation to Council for approval the report stated ‘Each of the criteria above has been given an indicative mark out of 5, all projects scored sufficient to be proposed for inclusion in the capital programme.’ Therefore, based on the scoring alone there is no reason why the HTP project should be treated differently to others that have had a decision to spend.

Question 7

Mrs J Richards, Hereford

With the additional spend of £3.65million on the proposed bypass, this new road project will have cost over £11.75million of local taxpayers money. How does this road deliver best value for money when compared against other transport elements such as improved cycling infrastructure or better public transport, especially when no funding is yet available for this road project?

Response

The Hereford Transport Package (HTP) comprises both the bypass and a range of walking, cycling, bus and public space improvements. It is a combination of both elements of the HTP which have been assessed to meet the objectives of the project. On their own all objectives cannot be met. The SOBC sets out that it is the HTP as a package which represents a strong value for money case for investment – not individual elements. To enable the delivery of the HTP the council is seeking external funding through a number of funding applications for the

entire package and when secured the programme of delivery will be confirmed and whilst some walking, cycling, bus and public space improvements cannot be delivered until the bypass is built others could be programmed to be delivered before and during the construction of the road.

Question 8

Mr P Chapman, Breinton

It is clear many parts of the walking/cycling and public transport elements of the Hereford Transport Package can be delivered without the need for the construction of a £200million+ road to the west of Hereford, so why on earth is the Council not progressing those elements of the HTP, particularly those to the East of the City and especially around and adjacent to schools and colleges, which could be delivered for somewhat less than the huge amount of £3.65million being spent on 'professional fees' for the bypass in the next financial year?

Response

The council has identified walking, cycling, bus and public space improvements in Hereford as part of the Hereford Transport Package (HTP) The budget for 2019/2020 would enable the development of the HTP not just the bypass scheme development. The Hereford Transport Package (HTP) comprises both the bypass and a range of walking, cycling, bus and public space improvements. It is a combination of both elements of the HTP which have been assessed to meet the objectives of the project. Development work to date has concluded that on their own all objectives identified for the HTP cannot be met. To enable the delivery of the HTP the council is seeking external funding through a number of funding applications for the entire package and when secured the programme of delivery will be confirmed and whilst some walking, cycling, bus and public space improvements cannot be delivered until the bypass is built others could be programmed to be delivered before and during the construction of the road.

Question 9

Mrs P Churchward Breinton

"The report by the Head of Infrastructure shows that for just £2million, 20mph zones in residential areas across Hereford could be delivered across the city, particularly around schools and colleges, and this will do a lot more to promote active travel , cut congestion AND reduce pollution than any new road scheme.

Balfour Beatty have already benefited from an additional £2.54million contract in 2018/19 for professional fees on the Southern Link Road, so my question is why is £3.65 million more of local taxpayers money proposed to be spent on yet more professional fees with Balfour Beatty in 2019/20, rather than on 20mph zones in the city and other elements that can be delivered almost immediately? "

Response

The £2m figure referred to was an estimated cost for this type of intervention set out in the SOBC for the HTP project in 2014 along with other possible projects for which there are also estimated costs set out in the report. It is not an option to switch the budget to the delivery of these schemes as just delivering these would not deliver the overall objectives of the HTP project. However it should be noted that the £3.65m budget for 2019/2020 would enable the development of the HTP not just the bypass scheme development. The Hereford Transport Package (HTP) comprises both the bypass and a range of walking, cycling, bus and public

space improvements. It is a combination of both elements of the HTP which have been assessed to meet the objectives of the project. To enable the delivery of the HTP the council is seeking external funding through a number of funding applications for the entire package and when secured the programme of delivery will be confirmed and whilst some walking, cycling, bus and public space improvements cannot be delivered until the bypass is built others could be programmed to be delivered before and during the construction of the road. This could include speed limit schemes in residential areas across the city.

