

## **Title of report: Hereford Transport Strategy**

**Meeting: Cabinet**

**Meeting date: 24 June 2021**

**Report by: Cabinet member for infrastructure and transport**

### **Classification**

Open

### **Decision type**

Key

This is a key decision because it is likely to result in the council incurring expenditure which is, or the making of savings which are, significant having regard to the council's budget for the service or function concerned. A threshold of £500,000 is regarded as significant.

This is a key decision because it is likely to be significant having regard to: the strategic nature of the decision; and / or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards) affected.

Notice has been served in accordance with Part 3, Section 9 (Publicity in Connection with Key Decisions) of the Local Authorities (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012

### **Wards affected**

All Wards

### **Purpose**

To agree the approach to progressing the development and delivery of the transport strategy in 2021/22.

To allocate funding required to support the development and delivery of activities set out in this report.

### **Recommendation(s)**

**THAT:**

- (a) Cabinet confirms its priorities for progressing the Hereford Transport Strategy and allocates £1.24m one off revenue funds for 2021/22 as follows:**
- i. £300k to progress feasibility and design for safer routes to school infrastructure schemes;**

- ii. £150k to develop a cycling and walking masterplan for the city;
  - iii. £90k to support a clear communications campaign and encourage more people to walk, cycle and use public transport and also supporting covid recovery;
  - iv. £400k to progress the eastern road link and river crossing;
  - v. £100k to support the updating of the local transport plan; and
  - vi. £200k to fund delivery director and project management support to ensure delivery of this programme at pace.
- (b) The additional transport proposals outlined in paragraph 13 be noted as providing potential benefits and that a budget of £250k from the Settlement Monies Reserve is allocated to fund the business case development, feasibility work and community support to assess the benefits and determine which projects should be taken forward and inform future decision making.
- (c) The Delivery Director in consultation with the cabinet member for transport and infrastructure and the chief finance officer is authorised to take operational decisions associated with the commissioning of technical support required to deliver proposals and activities determined by cabinet under recommendation (a and b).

## Alternative options

1. A recommended approach to progressing cabinet's preferred strategy for Hereford is outlined in this report. Cabinet may wish to allocate different levels of funding to the strategy elements.

## Key considerations

### Hereford transport strategy

2. The Hereford Transport Strategy Review (HTSR) was commissioned February 2020 to assess the best options to provide modern transport system for the city which would address the declared climate emergency, support the local economy, protect the environment and generate wider society benefits.
3. Cabinet considered the findings of the HTSR (copy of technical report included at Appendix 1) and confirmed its preferred transport strategy at its meeting of 3 December 2020 (decision [here](#)). The strategy comprises:
  - active travel measures;
  - investment in buses;
  - demand management; and
  - a new road link and river crossing to the east of Hereford (the eastern road link).
4. The range of transport measures included in this blended package was considered by cabinet to provide the best balance in terms of addressing the key objectives of addressing the climate emergency and putting decarbonisation of transport at the centre of the strategy, supporting the local economy, protecting the environment and supporting society:
  - Package A - investment in active travel measures including walking, cycling and mobility hubs to provide attractive alternatives for short distance journeys in the city. This would help reduce carbon emissions, provide congestion relief reducing the impacts of traffic and enable healthier modes of travel.
  - Package B – Increased investment in buses and school transport. This package provides an attractive alternative for car users who may be less likely or able to

transfer to active modes supported by Package A. Increasing options for access to school will integrate well with behavioural change measures and safer routes to school elements of Package A.

- Package C – this package would help manage some car based travel such that drivers might be encouraged to transfer to walking, cycling or bus and could also provide a recurring revenue stream to support other measures such as increasing bus services and behaviour change.
  - Package E – cabinet noted the importance of increasing resilience in the city's transport network and considered that another bridge crossing was essential to provide an alternative route for vehicular traffic and would address resilience risk associated with the single A49 river crossing in the city. This was important in terms of supporting local economic activity and also to provide congestion relief within the city which would help support active travel measures.
5. The review and identification of the new strategy has been timely having regard to recent government announcements concerning national transport strategy. Since the HTSR commenced, government has published a number of significant policy papers signalling a change in direction for national transport policy:
- 'Decarbonising Transport – Setting the Challenge',
  - 'Gear Change' (cycling strategy); and
  - 'Bus Back Better' (national bus strategy).

The transport strategy which cabinet has identified supports the new national policy direction: the need to decarbonise how we travel, the need for much greater investment in buses and focus on delivering more effective infrastructure schemes to support walking and cycling including access to schools. This is particularly important in terms of the alignment with the cabinet's preferred strategy with anticipated future funding opportunities which have been indicated by government.

### Progressing the strategy

6. Cabinet is keen to make progress at pace and wants to implement transport improvements for the city as soon as is realistically possible. The estimated costs for the development of the strategy, which include preparation of scheme design, business cases and funding bids, is around £6m and the full capital cost estimate to implement the strategy is around £140m. A recent technical review undertaken by WSP indicates that the full strategy could take 8 years to deliver. However, it is cabinet's ambition to deliver the strategy in 5 years. A Delivery Director has recently been recruited to take the transport strategy forward and they will review the timescales for delivery with a view to developing a programme which aligns with this ambition, identifying opportunities to increase the pace of delivery and access funding.
7. The estimated strategy development and delivery costs and indicative profile are set out in the resources section. These will be updated and revised as strategy development progresses over the coming year.
8. One off revenue funding of £1.24m has been made available for 2021/22 and this will be allocated to progress scheme development/funding bids and will be complemented by committed projects and programmes which are already being delivered and will directly contribute to the delivery of the strategy.
9. Table 1 sets out the recommended allocation of the one off funds in the context of existing committed projects. The allocations have been finalised following discussion with cabinet

which confirmed the short term priorities for moving the transport strategy forward. These include schemes to improve access to schools, a cycling and walking masterplan for the city, a strong communications programme to encourage people to use active travel facilities and to commence development of the eastern road link scheme which will improve the resilience of the city, providing a second river crossing. The focus of this work will be to develop capital scheme proposals and funding bids such that the transport strategy can be included in the council capital programme and delivery can continue, alongside existing committed schemes, from 2022/23 onwards.

10. The table sets out the programme for progressing the national bus strategy locally which will include development of a countywide Bus Service Improvement Plan which will identify the key areas for improvement. This will include preparation of strategic outline business cases for the bus measures identified through the HTSR: Hereford Hopper, school bus improvements, bus priority and demand responsive transport. Delivering this project will enable the council to pursue funding which government is setting aside to support the national bus strategy and this will include both revenue and capital measures. In addition to this project, officers are also developing a business case as part of the covid recovery plan for 2021/22 to support discounted bus travel across the county to encourage people back on buses following the significant reductions during the pandemic. Cabinet will be able to consider the covid recovery plan and support for buses in a further governance report.
11. In progressing the cabinet's transport priorities it is recommended that the local transport plan (LTP) is updated and £100k is allocated to provide technical support and capacity during 2021/22. Key reasons why it considered essential to update the LTP:
  - At the time of the current LTP's adoption (May 2016) it was noted that it would be sensible to review it within 5 years in line with DfT guidance at the time. This remains a sensible approach noting the changes in both national and local policy in the intervening period;
  - To enable the council to update transport policy regarding its decision of 2 February 2021 to stop the western bypass and southern link road schemes and following cabinet's decision of 3 December 2020 to progress an eastern road link;
  - To confirm an updated transport policy position to inform the updating of the Local Plan which will be progressing in parallel and is due to be finalised 2022/23; and
  - To increase the opportunity to secure government funding for transport priorities. Recent government guidance concerning the future funding for active travel measures and buses indicates that it expects local transport authorities to identify proposals for these types of schemes in updated LTPs.
12. Resource is required to increase technical and project management capacity. Delivery of this programme alongside the related projects which support the identified transport strategy at pace will be challenging and expertise is required to manage the overall programme and coordinate day to day activities. Activities will include procurement of technical consultancy to take projects forward in line with the council's contract and financial procedures rules, project management of commissions and delivery of clear outputs including scheme proposals and funding submissions with a view to gaining entry in the council's capital programme. A Delivery Director has recently been recruited to take the programme forward and additional project management resource will also be required within the project management office. An allocation of £200k is identified towards this resource.

**Table 1: Recommended allocation of one off revenue funds to progress Hereford Transport Strategy in 2021/22**

Transport Measure	2021/22	Activity/outputs
<b>Package A - Active Travel</b>		
<b>Committed Projects and programmes progressing during 2021/22:</b>		
<ul style="list-style-type: none"> <li>• Hereford transport hub at the rail station to improve integration between rail, bus and active modes</li> <li>• Cycle schemes:               <ul style="list-style-type: none"> <li>○ St Owen Street</li> <li>○ Holme Lacy Road</li> <li>○ Ayelstone Hill</li> </ul> </li> <li>• Choose how you move programme: (DfT Capability Funding, Access Funds rolled over from 2020/21)               <ul style="list-style-type: none"> <li>○ Beryl bikes and e-cargo bikes scheme</li> <li>○ bikeability cycle training for school children,</li> <li>○ travel fund support for schools and business,</li> <li>○ expansion of school travel plan support to market town schools</li> <li>○ park and choose schemes to support transfer to walking, cycling and buses on the fringes of the city.</li> </ul> </li> </ul>		
<b>Allocation of one off revenue funds:</b>		
Safer routes to school schemes	£300k	<ul style="list-style-type: none"> <li>• Comprehensive costed programme of safer routes school infrastructure proposals (feasibility and outline designs)</li> <li>• Robust business case and funding bid to enable move into capital delivery from 2022/23 (DfT Capability Fund/LCWIP)</li> </ul>
Cycle and walking schemes – masterplan	£150k	<ul style="list-style-type: none"> <li>• network plan for walking and cycling which identifies preferred routes and core zones</li> <li>• costed programme of infrastructure schemes locations including low traffic neighbourhoods/mini Holland style projects.</li> <li>• Funding bid for DfT Local Cycling and Walking Infrastructure Plan (LCWIP) programme to enable earlier delivery of capital schemes with a view to progressing capital scheme delivery in 2022/23.</li> </ul>
Behaviour change programme	£90k	<ul style="list-style-type: none"> <li>• Comprehensive campaign of behaviour change communications. Focus on supporting recovery from covid and encouraging use of the active travel network and buses.</li> </ul>
<b>Package B – Buses</b>		
<b>Committed Projects and programmes progressing during 2021/22:</b>		
<ul style="list-style-type: none"> <li>• Delivering national bus strategy locally               <ul style="list-style-type: none"> <li>○ Bus service improvement plan - October 2021</li> <li>○ Strategic outline business cases for the Hereford hopper electric bus, service and school bus improvements and demand responsive transport - January 2022</li> <li>○ Enhanced Partnership with local bus operators - April 2022</li> <li>○ Funding bids to access £3b national bus strategy revenue and capital fund from 2022/23 onwards</li> </ul> </li> <li>• Covid recovery plan – business case being developed to provide discounted bus travel to get people back on buses countywide during 2021/22</li> <li>• Hereford Zipper – electric bus scheme with 4 buses operating within Hereford urban area linking key facilities (Project led by Hereford City Council supported by the towns fund)</li> <li>• Skylon Bus Service – providing supported bus access between rail station/city centre and Hereford Enterprise Zone</li> </ul>		
<b>Package E – Eastern Link</b>		
Eastern river crossing and road link	£400k	<ul style="list-style-type: none"> <li>• Commence feasibility work to identify a long list and short list of route options within a route corridor.</li> <li>• This work will comprise outline design work including topographical and environmental surveys.</li> </ul>

		<ul style="list-style-type: none"> <li>Progress outline business case for the scheme.</li> <li>Develop revised programme and costings to accelerate pace of delivery and identify funding strategy</li> </ul>
<b>Supporting activity</b>		
Local transport plan update	£100k	<ul style="list-style-type: none"> <li>Updating the local transport plan will confirm the preferred transport strategy as council policy, confirming the council's ambitions for transport. Supporting future funding bids.</li> <li>Focus for technical support during 2021/22 enabling adoption of the update LTP to progress during 2022/23 allowing for inclusion of outputs from the other measures in this table.</li> </ul>
Programme lead/project management	£200k	<p>Delivery Director and project management lead to:</p> <ul style="list-style-type: none"> <li>Development of commissions in the programme and open market tendering</li> <li>Programme delivery and reporting</li> <li>Review and update programme costings and timescale for delivery with a view to reducing the delivery timescale</li> <li>Progressing funding submissions to secure funding for strategy delivery including: <ul style="list-style-type: none"> <li>Levelling up fund</li> <li>National Bus Strategy funding</li> <li>Gear Change funding (walking, cycling, safer routes to school, mini Hollands etc)</li> </ul> </li> </ul>
<b>Total</b>	<b>£1.24m</b>	

### Additional transport proposals

13. In addition to the HTSR schemes additional transport proposals have been identified for consideration through discussion at council, political group consultation and from the cabinet. These include:

Business case development:

- Providing support for a new rail station at Pontrilas (the local promoters have submitted a strategic outline business case for this scheme to DfT and the assessment of the scheme is awaited)

Feasibility and scoping work:

- improve road links between the A465 and the A49;
- improve road links to Bridge Sollars; Removal of traffic signals in Hereford (noting that the removal of traffic signals along the A49 corridor was assessed in the HTSR and rejected);
- Bridge widening and removal of traffic signals at the A4103 Roman Road bridge over rail line in Hereford;
- a plan to facilitate schools in providing pupil transport at cost to parents; and
- investment in exploring the potential of smart lift-sharing.

Community support for transport project development for proposals such as:

- Rural cycle greenways
  - Hereford to Hay on Wye
  - Leominster to Worcester
  - Ross/Backney Bridge

#### iv. Golden Valley

14. It is recommended that a budget of £250k be allocated from Settlement Monies Reserve to support the following activities relating to the additional transport proposals:
- £100k to progress business case development for the Pontrilas rail station,
  - £100k to carry out initial feasibility and scoping of highway improvement proposals and proposals for facilitating schools to provide transport for at cost to parents and smart lift sharing, and
  - £50k to support community led transport proposals such as the rural greenways projects, providing support for project development, identification of funding sources and bidding for funds.

Allocating funding to these activities will enable the council to assess the benefits and determine which projects should be taken forward and inform future decision making.

## Community impact

15. The County Plan's Delivery Plan 2020-22 was agreed by cabinet November 2020 and this includes specific reference to completing the Hereford Transport Strategy Review and beginning the implementation of preferred options (EN2.1) which is the subject of this report. Hence, agreeing the project plan and funding allocation set out in this report will directly contribute to progressing the county plan.
16. The Delivery Plan also sets out other related key projects and initiatives which will be supported by progressing the development of transport strategy and delivery of preferred options including:
- EN0.1 – developing evidence base to inform update of the core strategy
  - EN2.2 – continue to deliver and extend Choose How You Move sustainable and active travel programme to increase levels of walking and cycling
  - EN2.4 – explore the feasibility for the development of a cycle super highway
  - EC2.1 – development of £25m Town Investment Plan for Hereford
  - EC2.4 – continue to support development of the Hereford Enterprise Zone

## Environmental Impact

17. Progressing the transport proposals identified through the Hereford Transport Strategy Review will support the council's priorities in relation to protecting the environment and seeking to address the declared climate emergency. Cabinet was able to identify its preferred transport strategy based on performance in relation to both environmental impacts and the climate emergency, alongside societal and economic impacts. The process of developing the strategy will include Strategic Environmental Assessment as we update the local transport plan and individual assessment of the environmental impacts of infrastructure proposals taken into account within the scheme appraisal and design process.

## Equality duty

18. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

19. This report is seeking agreement to the progress transport proposals which will take forward the cabinet's preferred transport strategy, determined at its meeting 3 December 2020. The preferred strategy was informed by the Hereford Transport Strategy Review which assessed options and packages of options against a range of outcome indicators. Outcome O14 and indicator 14.1 which considers those with protected characteristics.

O14: All sectors of society have easy and affordable access to the services and facilities they need
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14.1 What impact does the option have on meeting the accessibility needs of all sectors of society, including those with protected characteristics or those without access to a car?
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20. Depending on which proposals cabinet determines to take forward the next stages in developing strategy will allow for more detailed assessment of impacts on equality and will include:

- Local transport plan update – will include an equality impact assessment and will be informed by consultation and best practice including the government's Inclusive Transport Strategy.
- Scheme feasibility and design will include equality impact assessment to ensure that access improvements are designed into new infrastructure schemes.

## Resource implications

21. Council allocated £1.24m of one off revenue funding for sustainable transport activity in 2021/22 when it agreed the budget at its meeting 12 February 2021. This report proposes allocation of this funding to progress development of the Hereford Transport Strategy in line with cabinet's short term priorities. Procurement required to progress these project will be undertaken in accordance with the Public Contracts Regulations 2015 and the council's contract procedures rules.

22. It is recommended that a budget of £250k be allocated to carry out business case development, feasibility work and community support to assess the benefits and determine which projects should be taken forward and inform future decision making.

23. £11k has been spent with WSP to provide cost estimates for the development of the transport packages identified by cabinet. Details of these cost estimates provided by WSP are set out in appendix 2 and are summarised in table 2 and 4 below.

24. The revenue profile indicates the need for £2.25m in 2022/23 and £2.4m in 2023/24 for ongoing strategy development and these funds are not currently identified in the budget and would need to be found for the programme to progress at pace.



25. There are no anticipated additional internal resource requirements other than for the programme and project management resource outlined in this report.

**Table 2: Revenue cost profile**

Revenue cost of projects	21/22	22/23	23/24	Total
	<b>£000s</b>			
Package A – Active Travel	540	335	0	875
Package B – Buses	0	290	150	440
Package C – Car Parking Management	0	500	150	650
Package E – Eastern road link	400	900	1,900	3,200
<b>Sub total</b>	<b>940</b>	<b>2,025</b>	<b>2,200</b>	<b>5,165</b>
Local transport plan update	100	25	0	125
Programme/project management	200	200	200	600
Additional transport measures	250	0	0	250
<b>Total</b>	<b>1,490</b>	<b>2,250</b>	<b>2,400</b>	<b>6,140</b>

**Table 3: Identified revenue funding**

Funding streams (indicate whether base budget / external / grant / capital borrowing)	21/22	22/23	23/24	Total
	<b>£000s</b>			
One off revenue funding (new homes bonus grant for 2021/22)	1,240	0	0	1,240
<b>Settlement Monies Reserve</b>	250	0	0	250
<b>Total</b>	<b>1,490</b>	<b>0</b>	<b>0</b>	<b>1,490</b>

**Table 4: Estimated capital costs and profile**

Hereford Transport Strategy - Capital Cost Profile									
	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	Totals
	all £000s								
Package A - Active Travel	0	0	13,182	13,132	10,484	7,716	7,716	7,720	<b>59,950</b>
Package B - Buses	0	0	8,510	5,750	5,750	0	0	0	<b>20,010</b>
Package C - Parking Management	0	0	0	350	0	0	0	0	<b>350</b>
Package E - Eastern Road Link	0	0	0	1,366	1,366	1,368	26,500	26,500	<b>57,100</b>
<b>Sub total</b>			<b>21,692</b>	<b>20,598</b>	<b>17,600</b>	<b>9,084</b>	<b>34,216</b>	<b>34,220</b>	<b>137,410</b>
Update local transport plan	0	0	0	0	0	0	0	0	<b>0</b>
Technical/Corporate PM	0	0	0	200	200	200	200	200	<b>1,000</b>
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>21,692</b>	<b>20,798</b>	<b>17,800</b>	<b>9,284</b>	<b>34,416</b>	<b>34,420</b>	<b>138,410</b>

26. The capital costs profile set out in table 4 is in line with the indicative timescales identified in the Hereford Transport Strategy Review. Work will be undertaken in 2021/22 to consider an accelerated programme for delivery.

27. Table 4 does not include capital spend associated with the committed projects identified in table 1. These projects and associated spend are already included in the capital programme and have been subject to separate governance reports.

28. At present none of the capital costs set out in Table 4 are funded. Project development work will include revision of these capital cost estimates and will also need to identify appropriate funding sources and bidding opportunities. The following are anticipated to form realistic opportunities for funding and/or bids:

- National Bus Strategy – Government has indicated up to £3b programme to support capital and revenue investment in local buses

- Cycling and walking – Government has indicated up to £2b for capital investment in future years and revenue support through the Local Capability Fund
- Levelling up fund – transport bids of up to £50m for unitary authorities
- LTP capital grant – allocation of this grant could reduce funding for annual capital highway maintenance
- Developer contributions
- Prudential Borrowing - Where borrowing is recommended this will require approval from full Council.

## Legal implications

29. This is an Executive function under the Council's Constitution Part 3 Section 3 and is a key decision because it is likely to be significant having regard to the strategic nature of the decision; and/ or whether the outcome will have an impact, for better or worse, on the amenity of the community or quality of service provided by the authority to a significant number of people living or working in the locality (two or more wards in Herefordshire) affected. It will also result in the council incurring expenditure which is, or the making or savings which are, significant having regard to the Council's budget for the service or function concerned.
30. Following Cabinet's preferred transport strategy for Hereford at its meeting of 3 December 2020, and the decision of Council on 2 February 2021, the recommendations are to proceed with the project plan and delivery of sustainable transport activities as highlighted in the preceding paragraphs.
31. There are no other legal considerations or problems with doing what is proposed.

## Risk management

32.

Risk	Mitigation
Insufficient in house capacity/expertise to progress the preferred transport strategy at pace.	The report identifies the need to fund and procure additional technical project/programme management support. This will assist in house staff in managing the overall project plan and individual work packages acknowledging that non-technical project management support will also be provided by the corporate project management team.
Developing the transport strategy in advance of the local plan update could result in policy conflicts.	The development of the LTP will be coordinated with the process to update the local plan. Whilst the current LTP was finalised following the adoption of the core strategy there is no policy reason why transport strategy cannot be developed before the local plan and inform the spatial strategy.
Reputational risk of non delivery.	This report sets out an ambitious programme of activity and recognises and addresses concerns regarding capacity and capability. Inclusion of resource to lead programme and project management and

	inclusion of projects in the PMO will help deliver projects on time and to budget.
Covid 19 may impact project delivery	Experience of progressing the HTSR which commenced immediately prior to the pandemic has demonstrated the ability to manage projects with external consultant support, including stakeholder engagement and consultation. Lessons learned during 2020 will inform approach to commissioned work and the logistical arrangements for progressing complex projects at pace.

33. There are a range of project risks associated with the delivery of project plan and these will be identified and managed within the individual work packages with project management led by the PMO.

## Consultees

34. Consultation and engagement was undertaken in the Hereford Transport Strategy Review and further consultation is identified in the project plan. This comprises consultation which will be carried out in developing and finalising the updated local transport plan as well as specific consultation in respect of scheme development such as the eastern link road and more detailed consultation to inform policy development such as public transport. Consultation findings will inform project plan delivery and will be reported as the plan progresses.

35. The following political groups consultation responses have been received.

Cllr Jennie Hewett:

- a plan to facilitate schools in providing pupil transport at cost to parents.

Cllr Ellie Chowns:

- a proper strategic plan for improving cycling and walking infrastructure in Hereford;
- more buses, and electrification of the bus fleet, as well as a particular emphasis on helping more kids get to school by bus rather than car; and
- countywide sustainable travel measures including development of car clubs and investment in exploring the potential of smart lift-sharing.

## Appendices

Appendix 1 – Hereford Transport Strategy Review – Technical Report, WSP, November 2020

Appendix 2 – Cost Estimates for Hereford Transport Strategy Review, WSP, May 2021

## Background papers

None

**Please include a glossary of terms, abbreviations and acronyms used in this report.**

HTSR	Hereford Transport Strategy Review, 2020
DfT	Department for Transport
PMO	Project Management Office
LTP	Local transport plan
OBC	Outline Business Case
SOBC	Strategic Outline Business Case