

# **Title of report: Capital Investment in infrastructure and Assets: Extra Ordinary Highways Maintenance, Bio Diversity Net Gain and Winter Fleet**

**Decision maker: Cabinet member Infrastructure and transport**

**Decision date: Wednesday, 6 October 2021**

**Report by: Engineering manager**

## **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.

## **Wards affected**

(All Wards);

## **Purpose**

To authorise the spend/investment in the council / highway asset and infrastructure following the resolution at the Council meeting on 12 February 2021, to allocate £2.299m in Extra Ordinary Highways Maintenance, Bio Diversity Net Gain and the Winter Fleet.

## **Recommendation(s)**

**That:**

**a) £2.299m to be invested in infrastructure as set out below:**

- **£910k C and U road investment - drainage and carriageway works.**
- **£250k bio diversity net gain projects across the public realm, public open spaces, council assets and working with partnering groups.**
- **£750k Market Town Maintenance Investment**
- **£200k Structures/Retaining Wall Repairs**
- **£50k Village Safety Initiatives**

- **£139k Winter Fleet.**

**b) Delegated authority to Director of Economy and Place (in consultation with the S151 officer) to take all operational decisions to spend the budget as set out in the recommendation (a).**

## **Alternative options**

1. Not to invest £2.299m in infrastructure assets, this is not recommended as this would be contrary to the council resolution on 12 February 2021.
2. Not to invest in the public realm asset or into Biodiversity Net Gain. The projects deliver benefits that minimise the risk on the Public Realm network linking in with priorities in the Market Towns and deliver mitigation of the impact of the council's highway works by improving bio diversity across the county. Not to invest will have risks and require mitigation which would have adverse impacts on accessibility such as roads closed. The Bio Diversity scheme which will see benefits and mitigation of the council's carbon footprint, will not be delivered. This is not recommended.

## **Key considerations**

3. The proposed investment as set out in the report will invest in the council's assets, go towards addressing concerns in the Market Towns, improve highway safety and improve BioDiversity in the county. The investment supports the county plan and ambition for Herefordshire:
  - a. Environment: protect and enhance our environment and keep Herefordshire a great place to live.
  - b. Community: strengthen communities to ensure everyone lives well and safely together.
  - c. Economy: support our economy which builds on the county's strengths and resources.
4. The Council meeting held on 12 February 2021, item 44, approved the proposed capital programme for 2021/22, the investment is set out in Appendix A.
5. The funding aims are:
  - a. Support the councils Highway Asset Management Strategy, mitigating the risk on the network, the investment provides part of a long term strategy in providing sustained investment. The projects address specific risks on the network as set out below.
  - b. To undertake a significant programme of biodiversity projects and local wildlife enhancements as part of the Council's response to the Climate and Ecological Emergency. The project will be delivered though a countywide approach to achieve bio-diversity net gain across the council owned public realm and wider public open spaces as set out below. The projects have been developed through consultation with various council areas of expertise.
6. The project are capital investment and as such will be allocated unique budget codes that will be used for monitoring and reporting by the corporate project management team alongside the annual plan management process.

7. The £910k C and U road investment will continue the work undertaken in 2020/21 to improve the condition of this highway asset; the Artificial Intelligence survey work undertaken has identified and forms the forward programme. The work has been repeated in 2021/22 to identify the change in condition. This has informed the site prioritisation. Where drainage problems occur, this will be addressed; the principle will be, in areas identified in need of investment, a hedge-to-hedge improvement approach will be undertaken to ensure where possible, all defects are picked up.
8. The £250k Biodiversity Net Gain investment is aimed at mitigating part of the impact of the council's operation in maintaining the infrastructure. The scheme will leave improve the bio diversity of the highway asset and will aim to continually improve the condition of the asset in regards to bio diversity. The project will work closely with all service areas to improve such as:
  - a. Increased tree cover for parks, open spaces and council owned land.
  - b. Improved quality of ponds including the Castle Pool
  - c. Improved breeding sites and winter refuge such as hedgehogs, animal shelters, bat boxes, etc.
  - d. Improved management of open space and introducing cut and collect to increase wildflower areas.
  - e. Animal corridor improvements including otters, hedgehogs, birds and bats.
  - f. Hedgerow planting
  - g. Improved common maintenance.
  - h. Linking with partner organisations and groups to improve quality of the open space.
9. The £750k Market Town Maintenance project will invest in the public realm to improve and enhance the asset. The Town Councils will input their priorities and need for the public realm infrastructure and the council's/BBLP's annual plan. The works will deliver a combination of improvements in the asset infrastructure and active travel measures.
10. The £200k investment in Structure assets will enable 2 structures to be repaired over and above those in the annual plan deliver for 2021/22. Pontrilas retaining structure and the Dulas Brook have been identified as at risk and in need of investment.
11. The £50k Village Safety Schemes is an initiative aimed at traffic management improvements in villages across the county. The investment will be targeted to those areas where there is an opportunity to uplift the materials where surfacing or surface dressing has been identified. There may be improved signage, gateway features, lining, lining removal or connectivity. The scheme will look to enhance existing paving schemes, S106 contribution or contributions from the local community.
12. The £139k Winter Fleet strategy underpins the council response to winter conditions providing a fleet of vehicles able to deliver the Winter Service Plan though challenging conditions. The continued investment enables the council to provide a reliable modern fleet which also minimises the impact of carbon emissions. The allocated fund will be used

to provide the investment required for vehicles and equipment such as dash cams in 2021/22.

13. A procurement strategy developed for the delivery of this investment to ensure value for money and this will be confirmed in the further governance as set out in recommendation (b).
14. The c and u road, market towns investment, structures and village safety projects are schemes that complement the management and investment through the Public Realm Contract and uplifts the council's annual plan investment. The Bio Diversity Net Gain project will be a combination of investment in the public realm contract and partner organisations such as parish, town and city councils, In Bloom organisations and the public to achieve the maximum benefit for the investment. The project will be council led and funded through the investment. The Winter Fleet will be procured through a tendering process managed by the council team.

## **Community impact**

15. The investment contributes to the county plan ambitions by protecting the environment, safe communities and providing infrastructure that supports the economy. The investment will ensure the network is resilient to the extremes of weather and ensuring the safety and availability of the infrastructure for our public and users of Herefordshire's highways network.
16. In preparing this part of the capital investment bid for 2021/22, the service put forward areas of concern and pressures in the service which need to be addressed. Without investment the deterioration in the network would increase, adding pressure to the service. This would have a detrimental impact on the asset condition and infrastructure. The project also addresses some of the concern about the impact of public realm maintenance on the bio-diversity of the network.

## **Environmental Impact**

17. The decision seeks to deliver the council's [environmental policy commitments](#) and aligns to the following success measures in the County Plan.
  - a) Increase flood resilience in the network by investing in drainage.
  - b) Reduce the council's carbon emissions by reinforcing the bio diversity in the county assets.
  - c) Work in partnership with others to reduce county carbon emissions by supporting community groups in increasing tree cover and bio diversity projects.
  - d) Improve residents' access to green space in Herefordshire by supporting the market towns to invest in infrastructure that supports active travel and the infrastructure.
18. Herefordshire Council provides and purchases a wide range of services for the people of Herefordshire. Together with partner organisations in the private, public and voluntary sectors we share a strong commitment to improving our environmental sustainability, achieving carbon neutrality and to protect and enhance Herefordshire's outstanding natural environment.

19. The environmental impact of this proposal has been considered through the service specification and includes appropriate requirements on the contractor/delivery partner to minimise waste, reduce energy and carbon emissions and to consider opportunities to enhance biodiversity. This will be managed and reported through the ongoing contract management.

## **Equality duty**

20. 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.
21. The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying 'due regard' in our decision making in the design of policies and in the delivery of services. Our providers will be made aware of their contractual requirements in regards to equality legislation.

## **Resource implications**

22. The total allocation of the investment is £2.299m. A procurement strategy developed for the delivery of this investment to ensure value for money and this will be confirmed in the further governance as set out in recommendation (b).
23. The investment is set out as below:
- a £910k C and U road investment
  - b £250k bio diversity net gain projects across the public realm, public open spaces, council assets and working with partnering groups – council led.
  - c £750k Market Town Maintenance Investment
  - d £200k Structures/Retaining Wall Repairs.
  - e £50k Village Safety Initiatives.
  - f £139k Winter Fleet - procurement in line with the council's contract procedure rules.
24. Unique project codes will be allocated to each project so that the corporate project manager assigned to the project can monitor and review progress to enable reporting to the capital project board along with other relevant programme boards on each of the projects. The projects were approved at Council in February 2021 to be funded from corporate borrowing.
25. There are no implications to revenue funding as any future maintenance is managed within the existing programme and budget, however, capital investment should ease the

revenue budget in reducing the need to undertake additional repairs over the whole life of the asset.

<b>Capital cost of project</b>	<b>2021/22</b>	<b>Future Years</b>	<b>Total</b>
	£000	£000	£000
C and U road investment	910		
Bio Diversity Net Gain	250		
Market Town Maintenance Investment	750		
Structures / Retaining Walls	200		
Village Safety Initiatives	50		
Winter Fleet	139		
<b>Total</b>	<b>2,299</b>	<b>0</b>	<b>2,299</b>

<b>Funding streams (indicate whether base budget / external / grant / capital borrowing)</b>	<b>2021/22</b>	<b>Future Years</b>	<b>Total</b>
	£000	£000	£000
Corporate Funded Borrowing	2,299		2,299
<b>TOTAL</b>	<b>2,299</b>		<b>2,299</b>

## Legal implications

26. This is an Executive function under the Council's Constitution Part 3 Section 3 as it is a key decision and which in the opinion of the monitoring officer 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
27. The funding from the capital programme for 2021/22, as approved by Council at the meeting on 12 February 2021 will allow additional investment to the highway alongside the monies allocated for the works within the annual plan, and will contribute to the county plan ambitions.
28. There are no other legal considerations.

## Risk management

29. The sustained investment will reduce the overall risk in highway safety, investing in key elements of the asset and winter service that address some of the challenges in the network. The maintenance backlog for carriageways alone is set at £87.77 million, whilst this is significant, the investment is part of the continued sustained investment over the whole life of the highway asset with an ongoing programme of works that is targeted at treating roads as they are showing signs of deterioration and fixing roads before they need larger, more costly repairs.

30. The £2.299m capital investment programme was approved at full Council on the 12 February, 2021 ensuring funding is available for all projects.
31. Delivery of the programme is to be in year, the schemes will be managed through corporate project management and financial reporting and escalated as and when identified.
32. The risks will be managed at a service level reporting to the service risk register, and escalated in accordance with the Risk Management Plan.

## **Consultees**

33. As part of the revised consultation process for key decisions, the Political Group Consultation was undertaken, 1 response has been received. The response stated the investment was welcomed in particular the Market Towns. The response requested the opportunity to utilise the Lengthsman. This will be considered at the operational decision making process. The full response is in Appendix B of the report.

## **Appendices**

Appendix A - Capital Investment Business Case

Appendix B - Consultation Response

## **Background papers**

None