

Appendix A

PROJECT DOCUMENTATION

FULL BUSINESS CASE

Capital Investment in Infrastructure and Assets: Extra Ordinary Highways Maintenance, Bio Diversity Net Gain and Winter Fleet

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1. Purpose of document

This full business case contains information that describes the justification for capital investment in Infrastructure and Assets, Extra Ordinary Highways Maintenance, Bio Diversity Net Gain and Winter Fleet. The business case forms part of the capital programme 2021/22.

The investment will improve the network for the public, support the economic growth of the county and help to address the Climate & Ecological Emergency through significant investment in biodiversity net gain across public open spaces.

2. Project aims and objectives

The aims of the project are:

- 1 To provide sustained investment and support an ongoing programme of works with targeted investment in the highway asset to manage and minimise decline before larger more costly repairs are required.
- 2 To undertake a significant programme of biodiversity improvements and local wildlife enhancements as part of the Council's response to the Climate and Ecological Emergency. The project will be delivered through a countywide approach to achieve biodiversity net gain across the council owned public realm and wider public open spaces.
- 3 To implement the winter service fleet strategy which will replace 2 of the fleet in the 2021/22 period. This will ensure the fleet is capable of delivering the Winter Service plan and will not become a burden in high maintenance or unfit for meeting the environmental challenges such as emissions and air quality.

A proportion of the funding will also target highway maintenance in Market Towns where the improved network will support active travel initiatives, improve access, overall highway condition and improve connectivity.

The project will support the growth of the county by making the best use of its highway asset and where possible facilitate more efficient usage together with improvements in the quality of our public places.

Public places should be safe and enjoyable for all to use responsibly. Public places should also remain safe through all seasons of the year. The infrastructure that is vital to a functioning county should be resilient to the impact of weather and climate.

The investment in additional tree planting and wider green infrastructure improvements will also positively contribute to public health and wellbeing, better air quality and will improve wildlife corridors in urban areas.

The highway asset should provide a network that facilitates the efficient and safe movement of people and goods whilst protecting the quality of life within communities.

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Optimal asset management will enable this vital asset to be maintained for least whole life cost and with a lowest possible carbon footprint.

Roads have an essential role to play in Herefordshire, economic, social and encouraging active travel and safe movement of pedestrians and cyclists. However, they also have the potential to compromise the quality of the environment; there are also pressures from development and climate change.

This project will look to provide a well-managed road network and make a significant contribution to the protection and enhancement of our biodiversity to mitigate our carbon footprint.

This project will also specifically support the implementation of the following key project in the Corporate Delivery Plan:

- EN6.1: Develop & implement a new nature strategy to enhance and protect biodiversity across the Council's estate

3. Background

The County Plan sets out the ambition for Herefordshire in supporting the Environment, Community and Economy.

This project will continue the sustained investment in the network whilst supporting the delivery of the following objectives within the county plan:

- Improve and extend active travel options throughout the county
- Identify climate change action in all aspects of council operation
- Seek strong stewardship of the county's natural resources
- Protect and enhance the county's biodiversity, value nature and uphold environmental standards
- Develop environmentally sound infrastructure that attracts investment
- Protect and promote our heritage, culture and natural beauty to enhance quality of life and support tourism

The project will enable the highway asset to be maintained to an appropriate level providing a safe and usable network for communities and businesses. Public places will be safe and enjoyable for all to use responsibly.

The project is broken down into different elements of the service:

- **C and U road investment**
 - The council allocated £2m in the capital budget for 2020/21 to improve the condition of the C and U road network. The whole network was surveyed which highlighted deterioration and condition, a programme of works has been identified and will be delivered in 2020/21. The proposed further investment set out in this business case is to address the condition of the network and provide sustainable investment that will address many local accessibility concerns. The 3-year investment will enable a pallet of materials such as surface dressing, resurfacing and localised drainage improvements that have caused the accelerated deterioration on the network.

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- Without this investment, there is a potential for the loss or extended closure of roads (due to flooding) which would have a severe impact on the local economy and community. Most residents require roads to travel their daily commute to work; and local business rely on roads to have access to suppliers and customers. Diversion times via alternative roads would have significant financial impact in terms of lost time and increased fuel costs.
- Upgrading and maintaining drainage and earthworks will mitigate the environmental impact of a road closure including the cost in carbon terms of remedial works. It can also improve community resilience to flood events. Additionally the diversion routes due to extended closures would result in a significant carbon impact because of these extended journeys and the associated network congestion.
- **Achieving biodiversity net gain across the public realm and public open spaces:**
 - Alongside delivery of highway maintenance activities this project will seek to significantly mitigate part of the impact of the work the council is doing in managing the network. The aim is to leave biodiversity in a better state, we are looking to continually improve the condition of the asset in regards to bio diversity and mitigate our carbon footprint.
 - This project will work closely with all areas of the council, identifying locations to improve such as ponds, breeding sites, winter refuge sites and increases in tree cover. The project will be a collaborative approach with property, public realm and the conservation team drawing on specific expertise to improve the county's biodiversity and help mitigate the impact of maintaining the highway network.
 - We have an awareness of the impact that our operations have on biodiversity and generally seek to limit the consequential loss of natural habitats.
 - We have identified particular locations across our asset where we have adjusted our operations to promote, protect or preserve the biodiversity of the natural habitats and ecological features of those sites.
 - There are a number of ways we aim to achieve further BNG which include:
 - securing improvements through a third party such as parish councils and Herefordshire Local Nature Partnership
 - Include in the programme of works such as retaining walls, drainage materials.
 - Securing long term outcomes in programme works
 - Contributing to biodiversity priorities
 - Engaging with stakeholders
 - Implementing Lawton's Principles protecting what we have, increasing wildlife site, creating new wildlife, improving the wilder environment.
 - The programme of investment will be looking at the principles and delivery; this will be a mixture of work within the Public Realm and as stated above, working with stakeholders to enhance the overall biodiversity in Herefordshire. The council are enhancing the verges with planting of wild flowers, this is to take maintenance to the next level and move towards the goal of the service being carbon neutral.
 - The outcome of the project will be measured and monitored in areas such as areas improved biodiversity, trees planted and number of partnerships engaged. A Carbon Tracker for the public realm has been developed which will be used to monitor and measure the benefits.
 - Council owned land/Public realm in line with emerging nature strategy could provide a benchmark for green standards for other landowners to work towards.
 - With the mapping for Nature Recovery Networks (mapping at county scale to create ecological corridors Lawton Review) coming forward as part of the Environment Bill, the

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council has the opportunity to review where public realm can form part of these connections and develop its biodiversity programme in line with these objectives.

- We will look for other funding streams to support including service providers, businesses in Herefordshire and nationally such as Severn Trent Boost for Biodiversity Grant Scheme.

- **Market Town Maintenance**

- Investment in the market town public realm to enhance and to improve access and active travel opportunities as identified in market town transport plans
- The network is deficient in some areas, the towns have had some investment with S106 available, this further capital will be used to enhance and compliment works. The programme will deliver improved crossing facilities, improved accessibility, active travel routes and improvements to highway condition.

- **Structures Retaining Structures**

- Pontrilas retaining structure
 - Failure of the wall will affect a private property, which will have a reputational and legal impact. Intervention will remove the risk.
- Dulas Brook
 - The road is at risk and there is potential of flooding of the area, failure has the potential for blocking the watercourse, which could cause flooding and landslips and this investment (restricting access to land and properties) will remove this risk.

- **Village Safety Initiative Schemes**

- The scheme is aimed at villages, which have a number of concerns such as speed, lack of footpaths, accidents. The primary goal will be the development of a “proactive” village safety initiative, aimed at changing driver behaviour through the many and varied village locations across Herefordshire. This will draw from, and be based around, the continued development of a package of innovative measures, which look to create a significant visual change to main road / roadside village environments, encouraging greater compliance with speed limits across the County. The initiative will also aim to actively engage and involve the local community in the development of a long-term plan for their area, which will serve as a focus for future interventions and ensure a coordinated approach for both programmed asset maintenance and additional interventions developed through Section 106 contributions, where applicable. Overall, this aims to enhance the sense of place within villages, bringing both quality of life and longer-term road safety benefits to the community as a whole.
- The scheme will deliver improvements and change the feel from a road to a place, which will strengthen communities.
- The scheme is intended to be match funded by villages, whether from the parish council, S106 opportunities and or funding from the Police Crime Commissioner. The scheme is proposed to run for three years, the measurement of success will be reduced speeds and localities able to enjoy their village environment.

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- There are a pallet of engineering measures available that have been successfully implemented including traffic regulation orders for speed limit change. There are a number of villages already requesting assistance in this way.
- **Winter Fleet**
 - The service provided by the council ensures the safety of the travelling public in times of cold weather and snow events and is key to supporting the economic and social well-being of the people of Herefordshire.
 - The fleet is sufficient to enable all gritting routes to be completed within the requisite time scales and cover all routes county wide.
 - The replacement of the fleet is necessary to ensure the service is reliable and the costs are manageable within budget without excessive maintenance costs being incurred.
 - The council and our service providers, Balfour Beatty Living Places operate 16 gritting vehicles, 12 are owned by the council with the remaining four hired by BBLP. There are 15 routes with 1 vehicles operating as a spare.
 - As part of the strategy a new gritter will join the fleet in 2020/21, this investment is to continue the investment and fleet replacement. If the investment is forthcoming, we will investigate and consider investing in electric vehicles.
 - The County Plan ambitions align to the Winter Service Plan 2020-24 which sets out that we will strengthen communities to ensure everyone lives well and safely together and support an economy which builds on the county's strengths and resources. The winter service plan sets out how we ensure the safety of the public in using the footway, cycle and highway network which also keeps the economy moving through the winter period.

3.1. Project Drivers and High Level Issues

The network is valued with a replacement cost of c£3.8 billion with an estimated backlog of maintenance value of c£87.8m.

The council has implemented the Highway Asset Management Strategy, which has the following components:

1. Major Investment
2. Sustained Investment
3. Reduce the need for reactive temporary pothole repairs
4. Shift our routine resources further towards preventative activities.
5. Provide the support that enables routine maintenance work to be delivered locally.

The aim of the strategy will reduce the whole life cost of maintenance and prevent over 386,000 potholes over the 34-year lifecycle of our roads.

This investment enables the strategy to be implemented and has the potential to secure further investment in the network through the Local Highway Maintenance Challenge Fund.

In response to two recent motions at Full Council, an executive response is currently being prepared proposing the development of a new Council Nature Strategy in order to establish new targets, commitments and an action plan to improve biodiversity across the Council's activities and estate

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The development of the Nature Strategy is due to commence in January and the associated action plan will help to inform and shape the detailed activities within this Business Case.

This project has been developed recognises the significant role that public open spaces and the management of the public realm plays in protecting and enhancing our natural environment.

The core outcomes for the investment would be to remove some of the risk from the network deliver a step change in the quality of this asset.

This project seeks to achieve a minimum 10% Bio Diversity Net Gain across projects in line with the national standards set out in the forthcoming Environment Bill. This will be further developed as part of the councils emerging nature strategy in 2021.

The performance of delivering the investment will be managed through the capital programme, the improvement in the asset will be managed through the performance indicators set out in the public Realm.

The aging winter fleet is in need of renewal, the strategy will replace the fleet over the next 10 years which will see an efficient, economical and environmentally friendly fleet. The replacement will provide resilience to breakdowns and ensure the delivery of the service.

The age of the existing fleet and cost of maintenance is set out in Appendix 1 Winter Fleet Replacement Strategy.

4. Scope

4.1. Included in Scope

The project scope is to undertake a programme of investment in the highway network to ensure the asset will support communities and businesses. The funding will enable investment in the network identified through the councils Asset Management Plan and will include:

- Maintenance and improvements in the Market Towns
- Additional tree planting, wider green infrastructure improvements and local wildlife enhancement in public open spaces
- Fleet replacement

4.2. Out of scope

The project is to invest in the existing network, support the winter service fleet and does not include new infrastructure.

5. Stakeholders

The Assistant Director of Highways and Transport is the project sponsor who will be accountable for the operational decisions.

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The key stakeholders will be the local members, parish and town councils which will be engaged through delivery through the Public Realm contract Annual and Foreword Plan. The additional investment will deliver a better environment and improved connectivity for the communities and a more efficient network which will support the economy and accessibility.

Stakeholders will be engaged throughout the delivery of this investment and stakeholder engagement strategy will be developed. The additional investment will deliver a better environment and improved connectivity for the communities and a more efficient network, which will support the economy and accessibility.

Key stakeholders include

- Local members,
- Parish and town councils,
- Herefordshire Tree Forum
- Hereford City Wildlife Trust Group
- Hereford in Bloom
- Herefordshire Wildlife Trust
- Herefordshire Local Nature Partnership

6. Constraints and dependencies

6.1. Initiatives which depend on this project are:

- The council is submitting a Local Highway Network Maintenance Challenge Fund Bid, which will be supported by investment and match funding within this project.
- This project will form an integral part of achieving Biodiversity Net Gain in the public realm and will be a key action in the new Council Nature Strategy.

6.2. This project depends on:

- This project is not dependent on existing or future projects, however will form part of the Council's Carbon Management Plan and emerging Nature Strategy.
- The project will need to compliment highways maintenance delivered annual through the public realm contract.
- The project will support the local communities and businesses who will be engaged through the Public Realm contract annual and forward plan.

7. Budget provision

The budget requested is set out below to be funded from the councils capital programme and if possible, in some cases match funding will be sought. (e.g. market town or village schemes)

8. Detailed costs and assumptions on final recommendation

The £2.299million Capital Investment in Infrastructure and Assets: Extra Ordinary Highways Maintenance, Bio Diversity Net Gain and Winter Fleet is to be delivered through the Public Realm Contract or through commissioning through the tendering process.

The investment is a package of investment:

- a. £910k C and U road investment - drainage and carriageway works.
- b. £250k bio diversity net gain projects across the public realm, public open spaces, council assets and working with partnering groups.
- c. £750k Market Town Maintenance
- d. £200k Structures/Retaining Wall Repairs
- e. £50k Village Safety Initiatives
- f. £139k Winter Fleet

The project will deliver schemes in the areas identified, this will be subject to review and audit as part of the public realm contract.

9. Benefits

The benefit of the project will be an improvement in the highway network condition, the reduced backlog in the defects affecting the asset and the improved accessibility and enjoyment of the public realm. The investment in drainage proposed will address a number of defects, which will reduce flooding in the county, either on the highway network or a reduction in property flooding. The scheme will increase the resilience of the council's highways network, which in turn will support the economy and accessibility for the people of Herefordshire.

There will be an overall benefit in investing in the biodiversity in Herefordshire and addressing the impact and carbon footprint of the highways service.

9.1. Cashable benefits

There will be a reduction in reactive maintenance costs and an increase in the life of the asset. There will be a reduced risk of claims to the council in relation to vehicle damage. The network will also be safer with a reduced risk of road traffic collisions which in turn reduce the cost to the community in respect to our partners such as police, fire, ambulance and the health service, it is estimated that an RTC = £98,232 average. (Based on DfT figures)

9.2. Non-cashable benefits

- Improved accessibility, attractiveness and enjoyment for local and visitor population.
- Protecting and enhancing the natural environment through biodiversity net gain, improved air quality and reduced carbon emissions.
- Improving Public Health & Wellbeing through green infrastructure, sustainable and active travel.

10. Resources

The resources for delivery of the project will be resourced through the Public Realm Annual Plan or through a commercial tendering process, the route to market will demonstrate VFM.

11. Project timeline

The project will be delivered in year

12. Risks

12.1. The key risks of not doing the project are:

- There is a risk of increased backlog of defects in the network and the potential for negative reputational risk of insurance claims and possibly roads closed due to safety concerns.
- Unable to mitigate the carbon footprint of the council and partners maintaining the network.
- Flooding risk including flooding of properties.
- Increasing maintenance requirement with associated higher carbon footprint.
- There is a reputational risk in not delivering the BNG for the authority in that it is unable to deliver on the public declaration on the climate and ecological emergency. (full council held on the 11th December, 2020)

12.2. The key project risks are:

- Non delivery but these will be managed within the Public Realm contract and the Annual Plan.

13. Appendices

None

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