

Title of report: Resurfacing Herefordshire Highways - Additional Funding

Decision maker: Cabinet member roads and regulatory services

Report by: Corporate Director – Economy & Environment

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.

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

The purpose of this report is to set out how the £5 million additional investment Resurfacing Herefordshire Highways is proposed to be spent and to seek the necessary approvals to do so.

Recommendation(s)

That:

- a) **approval is given to draw down the £5 million additional budget allocated in the capital investment budget for Resurfacing Herefordshire Highways across 2025/26 in accordance with the Council's Highway Asset Management Plan; and**
- b) **delegated authority is given to the Corporate Director of Economy and Environment to take all operational decisions over the lifetime of the project, to deliver the investment set out in recommendation (a).**

Alternative options

1. That this additional investment is not made and the Council continues to maintain Herefordshire's highways in accordance with sound asset management practices but wholly within the maintenance allocations and grant funding made available by Central Government.

Key considerations

2. On 7 February 2025, Council approved a 2025/26 Capital Investment Budget and Capital Strategy Update report. As part of the report, approval was given to invest to improve the A and B road network and an additional £5 million budget for investment was allocated for Resurfacing Herefordshire Highways, with an expected spend profile across 2025/26. Officers propose to spend the £5 million investment as set out below.

Type of work to be delivered

3. As set out in the 7 February 2025 report, £5 million of additional investment for Resurfacing Herefordshire Highways was provided. The funding has been made available through Council funded prudential borrowing which requires a 40 year useful economic life and as a result the total £5 million additional investment is proposed to be spent on roads that require resurfacing, with the existing layers removed and a new surface laid.

Identification of sites

4. As part of its duty under the Highways Act 1980 to maintain the public highway, the Council uses various data collection and survey methods to capture the condition of the network.
5. On an annual basis, data collected from these surveys is used to classify roads into condition bands that range from 1 (Very Poor Condition) to 5 (Good Condition). The data collected is then used to update the forward programme of works held by the highways team, from which the annual plan of work is selected. Investment in the right road and at the right time is critical, given that the average treatment cost associated with preventing a road from slipping down the condition bands is less than the average treatment cost associated with having to undertake more significant structural work. Investing in roads that are within condition bands 3 and 4 therefore provides the best value for money.
6. The £5 million additional investment through the capital programme was allocated for resurfacing of A and B roads identified as requiring such work. It is the recommendation of Officers that the highway forward programme is used to identify sites that satisfy this condition and would be taken forward for delivery in 2025/26 as set out in recommendation (b).

Procurement and Delivery

7. In order to deliver the £5 million investment in Resurfacing Herefordshire Highways the Council will need to secure the services of a surfacing contractor.
8. To demonstrate value for money and in order to enable the Council to quickly and efficiently appoint contractors to support and deliver its planned programme of works, the Council created its own framework for the delivery of civil engineering and associated works for the improvement of the Council's highway network and public realm. This framework was procured following Council Procedure Rules and relevant legislation and as part of this framework, a Lot for the delivery of surfacing schemes was included. Delivery of the 2024/25 Resurfacing Herefordshire Highways programme has been undertaken through the Lot and has proven successful.

Community impact

9. The £5 million additional investment for Resurfacing Herefordshire Highways contributes to the County Plan ambitions, providing a safe usable network for the localities and for the economy of Herefordshire.
10. The £5 million additional investment will be allocated across the county to those A and B roads identified as requiring the most urgent work, based on data collected by way of various survey techniques.

Environmental Impact

11. The investment plan seeks to deliver the council's environmental policy commitments and aligns to the following success measures in the Council Plan 2024-2028.
 - a) Expand and maintain the transport infrastructure in a sustainable way and improve connectivity across the county. Value nature and uphold environmental standards to minimise pollution and maximise biodiversity Reduce waste, increase reuse and increase recycling. .
 - b) Work towards reducing county and council carbon emissions, aiming for net zero by 2030/31 and work with partners and communities to make the county more resilient to the effects of climate change
12. 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.
13. 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. This will be managed and reported through the ongoing contract management.

Equality duty

14. 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.

15. 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.
16. The selection of roads for investment will take account of the statutory demands for the local highway authority in addition to the highway network hierarchy. This approach is founded on the guidance set out in Well Managed Highway Infrastructure: A Code of Practice. When considering the highway network hierarchy in Herefordshire the presence of community, medical or educational facilities are considered as part of the usage consideration ensuring that highway corridors to these functions are afforded more priority. As a result the selection of roads for investment as part of this decision is considered to have a positive impact on the protected characteristics of Age and Disability. The investment set out in this report is considered to have a neutral impact on the other protected characteristics.

Resource implications

17. To demonstrate value for money and in order to enable the Council to quickly and efficiently appoint contractors to support and deliver its planned programme of works, the Council created its own framework for the delivery of civil engineering and associated works for the improvement of the Council's highway network and public realm. This framework was procured following Council Procedure Rules and relevant legislation and as part of this framework, a Lot for the delivery of surfacing schemes was included. Delivery of the 2024/25 Resurfacing Herefordshire Highways programme has been undertaken through the Lot and has proven successful and the £5 million additional investment for Resurfacing Herefordshire Highways will be undertaken through this framework.
18. The project will be managed by the Council's Highway team with the Head of Highways being responsible for delivery.
19. A unique project code will be allocated so that the relevant project manager can monitor and review progress to enable reporting to the relevant capital programme boards. The £5 million additional investment was approved at Council in February 2025 to be funded from corporate borrowing.
20. 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 reducing the need to undertake additional repairs over the whole life of the asset. The interest for borrowing was approved at full council from the corporate revenue budget during budget setting.

Capital Project	2025/26	Future Years	Total
	£000	£000	£000
Additional Resurfacing Herefordshire Highways (Works)	5,000	0	5,000
TOTAL	5,000	0	5,000

Funding streams	2025/26	Future Years	Total
	£000	£000	£000
Corporate Funded Borrowing	5,000		5,000
TOTAL	5,000		5,000

Legal implications

21. The delegation to the Corporate Director of Economy and Environment is permissible and allows the officer to make changes to the actual services delivered within the budget.

Risk management

22. The £5 million additional investment for Resurfacing Herefordshire Highways will reduce the overall risk in highway safety and improve customer satisfaction, investing in a key asset group.
23. The £5 million additional investment for Resurfacing Herefordshire Highways was approved at Full Council, 7 February 2025 and will be delivered over a single year period.
24. Any risks will be managed at service level and escalated in accordance with the Risk Management Plan.

Risk / opportunity	Mitigation
Demand /deterioration on the network significant and budget not sufficient.	Review within the overall annual and forward programme and deliver in line with the council's priorities.
Environmental issues / constraints restrict project delivery in year.	Review and reprofile as required.
Projects conflict with programmed and other funded works such as Levelling Up funding or s106 works	Opportunity to incorporate into the project, potential for savings and minimising impact on communities and economy of Herefordshire.
Deliverability due to rising costs and available resources.	Effective contract management processes will provide early warnings of such implications.
Reduction in personal injury and vehicle damage claims	Opportunity to potentially reduce claims and therefore costs to the Council.

Consultees

25. As part of the revised consultation process for key decisions, a Political Group Consultation (PGC) was undertaken on 10th March 2025 with Officers outlining the content of the report. Various matters were discussed, including:
- a. How a prioritised list of schemes is developed;
 - b. How different forms of survey data are combined to ensure accuracy;
 - c. What has been delivered during 2024/25;
 - d. What is already planned for April, May and June 2025/26 through the use of £4m of existing Resurfacing Herefordshire Highways funding;
 - e. What can be delivered with the £5m of additional Resurfacing Herefordshire Highways funding, with members making requests for various roads to be considered further;
 - f. Communication, with members requesting that consideration be given to establishing an annual 'call for sites' process so that they can more formally feed into the process;
 - g. Next steps, including governance and delivery.

Appendices

None.

Background papers

None.