

Local Highways Maintenance Challenge Fund



Department
for Transport

Application Form (for Tranche 2A)

The level of information provided should be proportionate to the size and complexity of the scheme proposed. Note that DfT funding is a maximum of £5 million per scheme. An individual local authority may apply only for one scheme.

For schemes submitted by components of a Combined Authority a separate application form should be completed for each scheme, then the CA should rank them in order of preference.

Applicant Information

Local authority name: Worcestershire County Council

Bid Manager Name and position: Nick Twaite, Infrastructure Asset Manager

Name and position of officer with day to day responsibility for delivering the proposed scheme.

Ian Bamforth, Highways and PROW Operations Manager

Contact telephone number: 01905 844975 or 01905 844976

Email address: ibamforth@worcestershire.gov.uk

Postal address: Worcestershire County Council
County Hall
Spetchley Road, Worcester
WR5 2NP

Combined Authorities

If the bid is from a local highway authority within a Combined Authority, please specify the contact and ensure that the Combined Authority has submitted a Combined Authority Application Ranking Form.

Name and position of Combined Authority Bid Co-ordinator:

Contact telephone number:

Email address:

Postal address:

When authorities submit a bid for funding to the Department, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the

Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within two working days of submitting the final bid to the Department. The Department reserves the right to deem the business case as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published:

http://www.worcestershire.gov.uk/info/20007/travel_and_roads

SECTION A - Scheme description

A1. Scheme name: Pulverised Fuel Ash (PFA) replacement for A448 and A449

A2. Headline description:

Please enter a brief description of the proposed scheme and its timetable including the completion date (in no more than 50 words)

Supporting high volumes of high speed traffic (5% HGV), the A448 and A449 carriageways require full depth reconstruction to replace the Pulverised Fuel Ash (PFA) which forms severe and potentially dangerous undulations when hydrated. Reconstruction would be completed during 2017 which would be more cost effective than continued reactive maintenance.

A3. Geographical area:

Please provide a short description of area covered by the bid (in no more than 50 words)

OS Grid References: **A448 Bromsgrove Highway, Redditch, Worcestershire, between 398983E and 269967N and 401205 and 267863**

A449 Ombersley bypass, proposed between 384573E and 262588N and extending as far as 384718 and 263746

Postcodes: **A448 = B60 and B97s (halfway = 8B97 6Qs)**
A449 = WR9 0E and ODs

Please append a map showing the location (and route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints on land use, planning etc. See Appendix A.

A4. Type of scheme (please tick relevant box):

Small project bids (requiring DfT funding of **up to £5 million**)

Major maintenance, strengthening or renewal of bridges, tunnels, retaining walls or other structures

Major maintenance or renewal of carriageways (roads)

Major maintenance or renewal of footways or cycleways

Major maintenance or renewal of drainage assets

SECTION B – The Business Case

B1. The Financial Case – Project Costs and Profile

Before preparing a scheme proposal for submission, bid promoters should ensure they understand the financial implications of developing the scheme (including any implications for future resource

spend and ongoing costs relating to maintaining and operating the asset), and the need to secure and underwrite any necessary funding outside the Department's maximum contribution.

Please complete the following tables. **Figures should be entered in £000s** (i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

£000s	2017-18
<i>DfT Funding Sought</i>	£4,377
<i>LA Contribution</i>	£486
<i>Other Third Party Funding</i>	£0

Notes:

1) Department for Transport funding is only for the 2017-18 financial year.

2) A minimum local contribution of 10% (by the local authority and/or third party) of the project costs is required.

B2 Local Contribution / Third Party Funding

Please provide information on the following points (where applicable):

- a) The non-DfT contribution may include funding from organisations other than the scheme promoter. Please provide details of all non-DfT funding contributions to the scheme costs. This should include evidence to show how any third party contributions are being secured, the level of commitment and when they will become available.

The total bid value is £4.863m and Worcestershire County Council will contribute 10% of the total bid value = £486,300.

- b) Where the contribution is from external sources, please provide a letter confirming the body's commitment to contribute to the cost of the scheme. The Department is unlikely to fund any scheme where significant financial contributions from other sources have not been secured or appear to be at risk.

Have you appended a letter(s) to support this case? Yes No N/A

- c) Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection (e.g. through the Access Fund or similar competition).

Not applicable

B3. Strategic Case (Maximum 50 words for each section a) to g)

This section should briefly set out the rationale for making the investment and evidence of the existing situation, set out the history of the asset and why it is needs to be repaired or renewed. It should also include how the scheme it fits into the overall asset management strategy for the authority **and why it cannot be funded through the annual Highways Maintenance Block Funding grant.**

- a) What are the current problems to be addressed by your scheme? (Describe economic, environmental, social problems or opportunities which will be addressed by the scheme):

Economic: The cost of reconstruction is more cost effective over the lifetime of the asset, but unaffordable.

Environmental: Reduction in traffic congestion and pollution resulting from repeated reactive maintenance

Social Problems: Improved stability and integrity of the carriageway with a reduction in the likelihood of accidents and noise pollution. Improved public perception.

b) Why the asset is in need of urgent funding?

Both carriageways were constructed in the 1960s using Pulverised Fuel Ash (PFA). This is susceptible to forming severe and potentially dangerous undulations in the carriageway when it is hydrated by ingress of ground water. To reduce the risk of accidents, both carriageways need full depth reconstruction to replace the PFA.

c) What options have been considered and why have alternatives have been rejected?

We would carry out full depth reconstruction to replace the existing PFA which could not be addressed via the usual formula needs element allocations that we receive due to the scale and extent of works required. The alternative is to continue repair Reactive Maintenance to repair and patch.

d) What are the expected benefits / outcomes?

- Reduce likelihood of accidents
- Improve the overall condition of the carriageways, reset 'life cycle clock'.
- Reduce reactive maintenance.
- Minimise and mitigate the impacts of congestion resulting from roadworks.
- Reduce the impact of further deterioration to the identified highway schemes to road users.
- Lower the cost of cyclical and annual maintenance

e) Please provide information on the geographical areas that will benefit from your scheme.

The A448 is an integral link between Redditch and Bromsgrove. The A449 serves Worcester to Kidderminster and is a bypass for Ombersley.

f) What will happen if funding for this scheme is not secured - would an alternative (lower cost) solution be implemented (if yes, please describe this alternative and how it differs from the proposed scheme)?

If funding is not secured, WCC would continue to repair and patch on a continued basis, with further medium term deterioration and escalating costs to WCC and continued disruption due to repeated traffic Management

g) What is the impact of the scheme?

The replacement of the PFA for both schemes is critical to reduce likelihood of accidents and increase integrity and stability of these high speed roads.

B4. Affordability and Financial Risk (maximum 50 words for each of a) to c)

What is your Authority's most recent total outturn annual capital spending on highways maintenance (Year **2016/17**) - £29,730 **figures should be entered in £000s** (i.e. £10,000 = 10)

What is the DfT contribution sought as a % and that annual total - 16.357 % (to 3 decimal places)

This section should provide a narrative setting out how you will mitigate any financial risks associated with the scheme

Please provide evidence on the following points (where applicable):

a) What risk allowance has been applied to the project cost?

A risk allowance of 5% has been allowed for change control. NEC TSC Contract limits the County to 50% of any Cost overrun over Target Price.

b) How will cost overruns be dealt with?

Any cost overruns for the scheme will be carefully managed in line with the Project Plan and will be met by WCC through its own internal funding processes.

c) What are the main risks to project delivery timescales and what impact this will have on cost?

Main risks are meeting unforeseen ground conditions. Mitigated by: As-built drawings availability. Extensive coring and other appropriate site investigations. Limited impact on Costs.

B5. Equality Analysis

Has any Equality Analysis been undertaken in line with the Equality Duty? Yes No

B6. Value for Money

a) For all scheme bids, promoters should provide, where available, an estimate of the Benefit Cost Ratio (BCR) of the scheme.

Where a BCR is provided please be aware that DfT may wish to scrutinise the data and assumptions used in deriving that BCR.

b) Please provide the following data will form a key part of our assessment:

Note this material should be provided even if a BCR estimate has been supplied and has also to be entered and returned as an MS Excel file in the VfM Annex MS Excel file).

A description of the do-minimum situation (i.e. what would happen without Challenge Fund investment).

Worcestershire County Council would have no real choice other than to continue to repair and patch both carriageways on a continued basis. This would lead to further medium term deterioration and escalating asset management costs to WCC. Continued periodic disruption to local and commercial traffic for repair works. The alternative to this i.e. treating the root cause from WCC's 'normal' DfT maintenance allocation would necessitate the use of over 50% of the recommended C/W allocation. A multiphase approach will have to be applied. Even this approach would put huge pressure on our forward programme and C/W condition aspirations. Much of the Cost of replacing the PFA is in the traffic management. Carrying out the work in phases over a number of years will increase the 'work to TM' cost ratios

	considerably further extending the number of phases required.
Details of significant monetised and non-monetised costs and benefits of the scheme (quantified where possible)	<p>Significant monetised costs: Over the last 6 years WCC has spent nearly £800k on removal of the severe undulations which form on the two stretches of road. This does not treat the root cause and such expenditure is likely to rise considerably. There has been 1 fatality and two serious accidents at these locations. Whilst the County operates a robust safety inspection process and carries out any safety remedial works expediently, there is no doubt a risk that the formation of an undulation could cause serious issues.</p> <p>Significant non monetised benefits: Minimising and mitigating the adverse impacts of congestion resulting from roadworks thus ensuring free movement of commuters, goods and services around the County.</p> <p>Reduction in the likelihood of accidents for both carriageways.</p>
Length of scheme (km)	8.76km
Number of vehicles on affected section (Average Annual Daily Traffic in vehicles and if possible split by vehicle type) – to include details of data (age etc.) supporting this estimate.	<p>A448 Bromsgrove Highway, Redditch: 12,803 Westbound 14,437 Eastbound. Total AADT = 27,240 with 4.0% HGV traffic</p> <p>A449 Ombersley bypass: 13,605 Northbound 15,431 Southbound. Total AADT = 29,036 with 4.8% HGV traffic</p>
c) Other VfM information where relevant - depending on type of scheme bid:	
Details of required restrictions/closures if funding not provided (e.g. type of restrictions; timing/duration of restrictions; etc.)	Various lane closures and possible contra flow for each patching operation.
Length of any diversion route, if closure is required (over and above existing route) (km)	No road closures or diversions will be required.
Regularity/duration of closures due to flooding: (e.g. number of closures per year; average length of closure (hrs); etc.)	N/A
Number and severity of accidents: both for the do minimum and the forecast impact of the scheme (e.g. existing number of accidents and/or accident rate; forecast number of accidents and or accident rate with and without the scheme)	There has been 1 fatality on the A449 and 2 serious accidents on the A448 between 2012 and 2016. This permanent solution of removing the root cause would remove the risk of similar accidents occurring.
Number of existing cyclists; forecasts of cycling usage with and without the scheme (and if available length of journey)	N/A

B7. The Commercial Case

This section categorizes the procurement strategy that will be used to appoint a contractor and, importantly for this fund, set out the timescales involved in the procurement process to show that delivery can proceed quickly.

What is the preferred procurement route for the scheme? For example, if it is proposed to use existing framework agreements or contracts, the contract must be appropriate in terms of scale and scope.

- Framework Contract
- Council Contractor Using the current Highway Maintenance Service Contract
- Competitive Tender

**It is the promoting authority's responsibility to decide whether or not their scheme proposal is lawful; and the extent of any new legal powers that need to be sought. Scheme promoters should ensure that any project complies with the Public Contracts Regulations as well as European Union State Aid rules, and should be prepared to provide the Department with confirmation of this, if required. An assurance that a strategy is in place that is legally compliant and is likely to achieve the best value for money outcomes is required from your Section 151 Officer below.*

B8. Delivery (maximum 50 words for a) and 100 words for b)

a) Are any statutory procedures required to deliver the project, if yes please provide details below;

Yes Only standard road space booking.

Details of statutory procedure (50 words maximum)

b) Please summarise any lessons your authority has learned from the experience of delivering other DfT funded programmes (such as Challenge Fund tranche 1, pinch point schemes, local majors, Local Sustainable Transport Fund, Better Bus Areas) and what would be different on this project as a result.

All major projects are carried out in accordance with Project Management processes. From previous schemes, early stakeholder engagement is important, particularly managing communications and publicity. Displaying highway signs with information about the value of the schemes and the benefits will be repeated, especially thanking road users for their patience whilst roadworks take place.

B9. Stakeholder Support (maximum 50 words for a) and 100 words for b)

c) Does this proposal have the support of the Local MP(s);

Yes No

Name of MP(s) and Constituency

- 1 Rt Hon, Sajid Javid, Bromsgrove for A448
- 2 Karen Lumley, Redditch County for A448
- 3 Nigel Huddleston, mid Worcestershire for A449

d) List other stakeholders supporting the Scheme:

- 1 Gary Woodman: Worcestershire Local Enterprise Partnership (WLEP)

2 Councillor Marcus Hart, Cabinet Member with Responsibility for Highways, Worcestershire County Council
3.

SECTION C: Declarations

C1. Senior Responsible Owner Declaration

As Senior Responsible Owner for the Pulverised Fuel Ash (PFA) replacement schemes for A448 and A449, I hereby submit this request for approval to DfT on behalf of Worcestershire County Council and confirm that I have the necessary authority to do so.

I confirm that Worcestershire County Council will have all the necessary powers in place to ensure the planned timescales in the application can be realised.

Name:
John Hobbs

Position:
Director of Economy and Infrastructure

Signed:



C2. Section 151 Officer Declaration

As Section 151 Officer for Worcestershire County Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that *Worcestershire County Council*,

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution
- will allocate sufficient staff and other necessary resources to deliver this scheme on time and on budget
- accepts responsibility for meeting any costs over and above the DfT contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties
- accepts responsibility for meeting any ongoing revenue requirements in relation to the scheme
- accepts that no further increase in DfT funding will be considered beyond the maximum contribution requested
- has the necessary governance / assurance arrangements in place
- has identified a procurement strategy that is legally compliant and is likely to achieve the best value for money outcome
- will ensure that a robust and effective stakeholder and communications plan is put in place

Name:

Sean Pearce

Signed:



Submission of bids:

The deadline for bid submission is 5pm on:

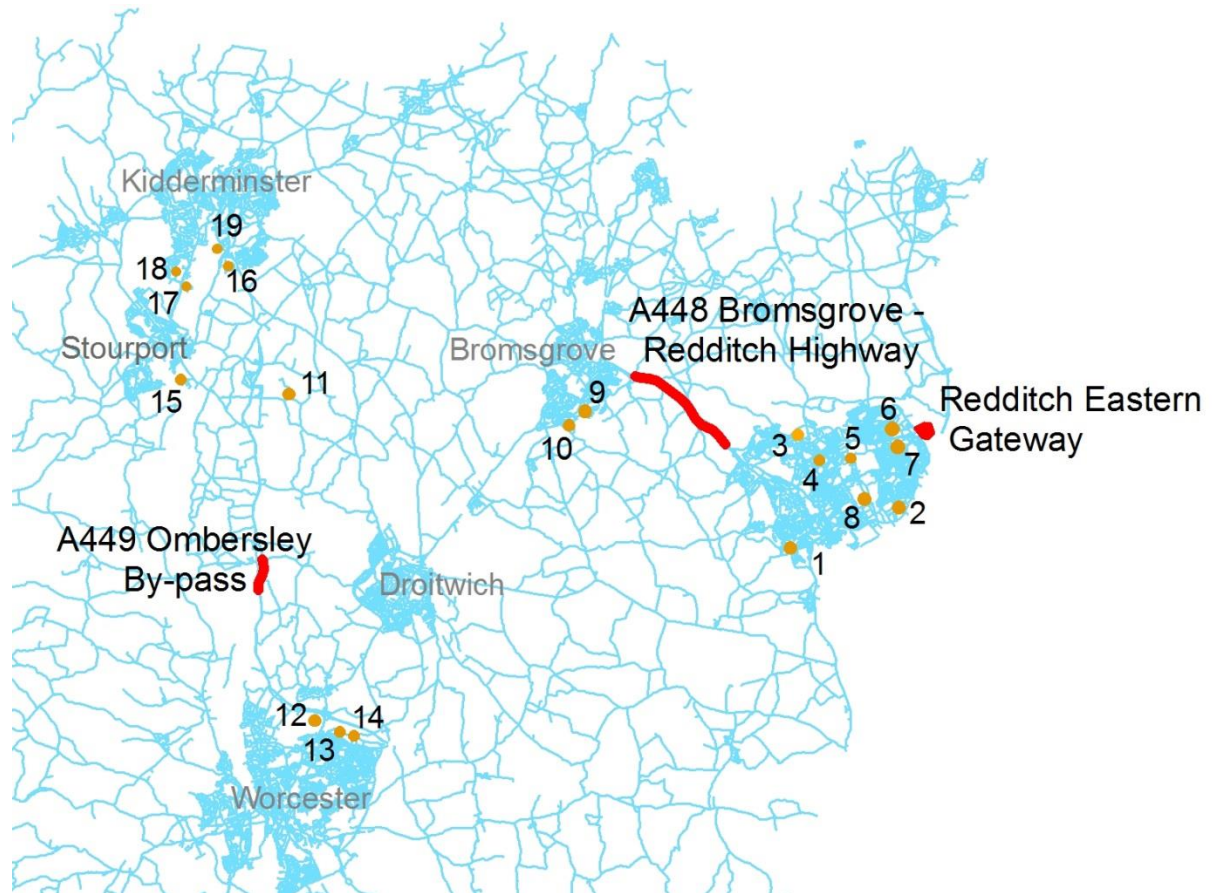
31 March 2017 for Challenge Fund Tranche 2A (2017/18 funding)

An electronic copy only of the bid including any supporting material should be submitted to:

roadmaintenance@dft.gsi.gov.uk copying in Paul.O'Hara@dft.gsi.gov.uk

Map showing A448 and A449 proposed schemes in Worcestershire

Worcestershire is ranked as one of the best performing Local Enterprise Partnership (LEP) areas in terms of advanced manufacturing employment, a growing cyber security sector and has a strong base of horticulture and food sector businesses. In proximity to the A448 and A449, are world class employers that include globally recognised brands such as Worcester Bosch, Brintons, GKN and Halfords. Also the highway schemes are located near two of the three game changer sites in the county, known as the Redditch Eastern Gateway, South Kidderminster Enterprise Park and the Worcester Six. Key trading and business estates are also shown in proximity to the A448 and A449 as indicated in the key below.



Key:

- 1 Hunt End Industrial Estate
- 2 Washford Industrial Estate
- 3 Enfield Industrial Estate
- 4 Trafford Park Industrial Estate
- 5 Lakeside Industrial Estate
- 6 Moons Moat North Industrial Estate
- 7 IMEX Business Park
- 8 Riverside and Park Farm Industrial Estates
- 9 Aston Fields Industrial Estate
- 10 Buntsford Gate Business Park
- 11 Hartlebury Trading Estate
- 12 Blackpole Trading Estate West
- 13 Warndon Business Park
- 14 Shire Business Park
- 15 Sandy Lane Industrial Estate
- 16 Hoo Farm Industrial Estate
- 17 Firs Industrial Estate
- 18 Coppice Trading Estate
- 19 Hoo Brook Trading Estate