

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: Warwickshire County Council

Bid Manager Name and position: Jeff Welsby, Group Manager, Transport and Highways

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

Contact telephone number: 01926 736531 **Email address:**
jeffwelsby@warwickshire.gov.uk

Postal address: County Highways, Old Bubdroke Road, Warwick, CV35 7DP

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:

www.warwickshire.gov.uk/challengefund2a

SECTION A - Scheme description

A1. Scheme name: Improved Highway Drainage for Warwickshire

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)

This scheme comprises a programme of highway drainage improvements focussed on seven flooding hotspots that have been identified from the Warwickshire Surface Water Management Plan. The primary objective of this project is to reduce the threat to the public from highway flooding. These schemes can be delivered in 2017/18.

A3. Geographical area:

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

Seven high risk flooding locations within the county of Warwickshire:

- 1 – Clifford Chambers CV37 8HR 419491,252354
- 2 – Long Marston CV37 8RG 415377, 248635
- 3 – Coughton B49 5HR 408018, 260359
- 4 – Welford-on-Avon CV37 8EB 414856, 252223
- 5 – Eathorpe CV33 9DQ 439353, 269111
- 6 – Fillongley CV7 8ET 428091, 287095
- 7 – Bermuda Road, Nuneaton CV10 7PN 435386, 290072

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 01.00 for overall map and appendix 01.01, 01.02, 01.03, 01.04, 01.05, 01.06 & 01.07 for individual scheme locations

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>	1,557
<i>LA Contribution</i>	407
<i>Other Third Party Funding</i>	N/A

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.
- 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).

N/A

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).

The County of Warwickshire has experienced a number of significant flooding events in recent years. As a consequence we have developed a comprehensive understanding of all types of flood risk in the County. This programme addresses highway drainage flooding in priority locations identified in the Surface Water Management Plan (Appendix 06.00).

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

Extensive CCTV investigations have identified the highway drainage assets at the seven locations as being under capacity, suffering from collapses and/or poor connectivity. Our current budget is targeted toward our key highway asset (carriageway) with cyclical maintenance undertaken on gullies. Current drainage funding only allow for repairs following complete failure.

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

WCC have provided Property Level Resilience for some individual properties that suffer internal flooding. WCC also have schemes within the EA's Flood Defence Grant in Aid capital programme. However these are some years away and will not address highway flooding or root causes such as inadequate highway drainage infrastructure.

d) What are the expected benefits / outcomes?

Improved highway drainage infrastructure will:

- Reduce the threat to public safety from highway flooding
- Reduce the damage caused by flooding to both private and public property
- Support planned growth, flood risk being a key consideration in develop decisions
- Improve access and encourage use of all modes or transport including cyclists

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

The sites identified are: Clifford Chambers, Long Marston, Welford, Coughton, Eathorpe, Fillongley and Bermunda (Nuneaton). Areas adjacent to the sites will also benefit due to lack of diversions required and free movement of traffic.

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 for this scheme is not secured then these communities would continue to suffer the blight of flooding and the cost associated with ongoing damages. Cyclical maintenance would continue but the root cause of flooding would still be present.

g) What is the impact of the scheme?

The scheme will improve highway drainage in seven locations significantly assisting with elimination of potential flood sites and easing traffic flows during periods of heavy rainfall.

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? **Figures should be entered in £000s** (i.e. £10,000 = 10)

(Year **2016/17**) £14,586 **figures should be entered in £000s** (i.e. £10,000 = 10)

What is the DfT contribution sought as a % and that annual total 12.556 % (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?

30%

b) How will cost overruns be dealt with?

WCC will take the risk associated with cost over-runs

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

The main risks include: unforeseen ground conditions; services; inclement weather and interfacing with the public. We have extensive experience of managing these risks through good planning, resource and stakeholder management. The impact may result in in next financial year which, at current inflation could lead to 3% increase in 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).

Without the Challenge bid funding WCC may pursue funding from EA's Flood Defence Grant in Aid capital programme, however these are some years away and would be based on providing Property Level Resilience measures and will not address the root cause of the flooding which is inadequate highway drainage infrastructure. Cyclical maintenance of drainage gullies would still be carried out but this would not improve the asset. With the existing drainage systems deteriorating over time there could be worsening of the issues in the locations identified.

Details of significant monetised and non-monetised costs and benefits of the scheme (quantified where possible)

Costs have been estimated as £1,946
Benefits estimated as £4,974 (using standard methodology for avoiding damage from flooding plus first year rate of return for accidents reduction)

Programme BCR = 2.56

Length of scheme (km)

6.75km

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.

42,383 (See appendix 02.00)

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.)

Flooding is an irregular event but can cause disruption to traffic flows affected areas.

Length of any diversion route, if closure is required (over and above existing route) (km)

See appendix 03.00 for breakdown of each scheme where flooding occurs the diversion routes and additional times.

Regularity/duration of closures due to flooding: (e.g. number of closures per year; average length of closure (hrs); etc.)	No data currently available. The dates for major flood events are detailed but we have no data for other occasions.
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)	Current - Slight – 8, Serious – 3 With Scheme – Slight – 7, Serious – 3 This is due to few accidents in the wet. See appendix 04.00
Number of existing cyclists; forecasts of cycling usage with and without the scheme (and if available length of journey)	No data available

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 ☒
Highways Maintenance Contract (Balfour Beatty)

Council Contractor ☐

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 ☒ No

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.

WCC have robust procedures and staff experienced in working with delivery partners with the capacity and capability to deliver projects of a range and value. We currently have a drainage project of £2.2m where the EA are allowing us to lead on a project using a Public Sector Co-operation agreement.

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

Support has been sought from the following MP's

Name of MP(s) and Constituency

1 Nadhim Zahawi – Stratford-on-Avon

2 Jeremy Wright – Kenilworth and Southam

- d) List other stakeholders supporting the Scheme:

1 Fillongley Parish Council

2 Clifford Chambers Parish Council

3 Marston Sicca Parish Council

4 Environment Agency

5 Coughton Parish Council

SECTION C: Declarations

C1. Senior Responsible Owner Declaration

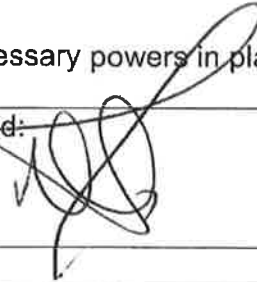
As Senior Responsible Owner for improved highway drainage for Warwickshire I hereby submit this request for approval to DfT on behalf of Warwickshire County Council and confirm that I have the necessary authority to do so.

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

Name: Mark Ryder

Signed:

Position: Head of Transport and Economy



C2. Section 151 Officer Declaration

As Section 151 Officer for Warwickshire County Council I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that Warwickshire 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: John Betts

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

