

SURREY COUNTY COUNCIL**CABINET****DATE: 26 APRIL 2016****REPORT OF: MR JOHN FUREY, CABINET MEMBER FOR HIGHWAYS,
TRANSPORT AND FLOODING****MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS
SERVICES AND RESIDENT EXPERIENCE****LEAD OFFICER: JASON RUSSELL ASSISTANT DIRECTOR HIGHWAYS AND
TRANSPORT****JOHN STEBBINGS CHIEF PROPERTY OFFICER****SUBJECT: HIGHWAY WINTER MAINTENANCE DEPOT AND SALT BARN
REPLACEMENT PROGRAMME****SUMMARY OF ISSUE:**

The winter maintenance service enables the residents of Surrey to carry out their everyday activities during periods of winter weather. Preventing icy roads and keeping priority roads and footways usable during snowy conditions contributes to the corporate goals by keeping residents safe as they travel about. It also maintains the availability of key routes so residents have choices on travel and the impact on the economy of severe weather is minimised.

The existing barns have insufficient capacity to store all of the salt stocks under cover and the Merrow barn is at the end of its useful life. There is a major lack of salt storage capacity in east Surrey, which compromises the services ability to keep the network treated during snow events. The weather conditions in east Surrey usually result annually in more precautionary salting runs being undertaken than in west Surrey. The current depot locations result in the service operating a larger gritter fleet in order to pre-treat the priority network within agreed response times.

This report provides the business case for investment in an additional winter maintenance depot in east Surrey, re-provision of depot facilities more centrally located within west Surrey and a new, larger capacity replacement for the life expired salt barn at Merrow Depot, Guildford.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. Approves the business case for the provision of new/refurbished highway winter maintenance facilities at Beare Green, Lyne Lane (Chertsey) and Merrow.
2. Delegates approval, to proceed to appoint consultants and contractors to undertake the design and construction of the proposed works, to the Chief Property Officer, in consultation with the Cabinet Member for Business

Services, subject to the following pre-conditions: receipt of planning consent and confirmation that agreed contracts do not exceed the total capital investment identified in paragraph 2 of Agenda Item 18 in Part 2 of this agenda.

3. Notes that, following the completion of works at Beare Green and Lyne Lane, the depot accommodation included in Agenda Item 18 in Part 2 of this agenda will be surplus to requirements.

REASON FOR RECOMMENDATIONS:

The provision of a new depot in east Surrey and the relocation of an existing depot in west Surrey, both on existing council land, will ensure that the Council's resilience to effectively respond to snow events is enhanced. The new depot will increase the salt stock stored locally in east Surrey from 4,500 to 7,100 tonnes. The revised network of depots will also be better located to maintain the pre-treatment of highway routes during icy weather within the agreed response times.

The replacement of the life expired barn at Merrow will provide additional salt storage capacity, reduce the stock loss through erosion and minimise potential leachate contamination.

DETAILS:

Business Case

Background

1. The service currently utilises 4 highways depots to deliver winter maintenance services (gritting and snow clearance) across the county.
2. There is insufficient space in the barns to store all 16,000 tonnes of salt undercover which results in additional costs to keep salt outdoors sheeted, loss of stocks through erosion and leachate contamination.
3. The salt stock is unevenly distributed across the county, with insufficient supplies available to sustain support locally during snow events in east Surrey.
4. A significant number of gritting routes from 3 depots include a high percentage of travel mileage within each run (which results in the need to maintain a larger gritter fleet and higher operating costs to meet agreed response times.)
5. Annual changes to the roads covered by the winter service and the growing number of bridge weight restrictions imposed by Network Rail are making it increasingly difficult to meet the published response times, especially in east Surrey.
6. Operating 40% (13 out of 35 gritters) of the fleet from Merrow Depot restricts available space for the contractor to self-deliver other elements of the highway maintenance services contract.

Proposals

7. Due to the need to secure planning permission to re-develop in the green belt the replacement depot at Lyne Lane, the programme will be delivered in 2 phases:-

- Phase 1 – the redevelopment of Beare Green Depot from an inaccessible salt storage depot to a fully operational winter maintenance depot. This will lead to land at Godstone depot becoming surplus to requirements. Godstone winter maintenance depot will remain operational.
- Phase 2 – the redevelopment of Lyne Lane Depot and replacement of the existing barn at Merrow Depot. Lyne Lane is currently a satellite depot, it will be redeveloped to become a fully operational winter maintenance depot. Once Lyne Lane is operational then the depot at Bagshot will be surplus to requirements. The works will only proceed once planning permission at Lyne Lane has been granted.

8. The planned investment in the depot sites is summarised below:-

	Phase 1 – Beare Green Depot	Phase 2 - Chertsey (Lyne Lane) Depot	Phase 2 - Merrow Depot
Current Use	Reserve salt barn depot (used to store 900t salt and storage)	Satellite depot (used for materials open storage)	Main operational depot (including winter maintenance)
Proposed Use	Winter and reactive maintenance (east Surrey)	Winter maintenance (north east Surrey)	Main operational depot (including winter and reactive maintenance- west Surrey) Fleet maintenance
Salt Storage & Ancillary Facilities	New 4,000t salt tent, vehicle wash down saturator and red diesel tank	New 4,500t salt tent, vehicle wash down saturator and red diesel tank	Replace existing 1,745t barn with new 3,500t capacity tent
Site Infrastructure	Major site infrastructure works and refurbishment of site office/welfare building	Major site infrastructure works and creation of new site office/welfare building	Major repairs and extension of existing depot surface

9. In addition, the existing depots at Godstone and Witley will be retained as operational winter maintenance depots (which are only used to support gritting and snow ploughing during the winter maintenance service period).

10. The changes to the distribution of the 16,000 tonnes of salt stored across Surrey is shown below:

Depot	Existing Salt Storage (Tonnes)	Proposed Salt Storage (Tonnes)
Bagshot	3,200	Nil
Lyne Lane (Chertsey)	Nil	4,100
Witley	1,600	1,600
Merrow	6,700	3,200
Beare Green	900	3,500
Godstone	3,600	3,600

11. The main reasons for proceeding with this option are as follows:-
- The provision of a robust and resilient winter maintenance service is a key requirement for the council to keep the residents, emergency services and road users safe in Surrey
 - The planned expenditure is funded through subsequent disposal of surplus depot accommodation, although there will be a need to forward fund development costs of the new salt barn depots before realising the receipts from the potential surplus assets.
 - The project addresses backlog maintenance issues. The capital maintenance budget is under pressure and without substantial investment the life expired salt barns will continue to be a strain on future capital maintenance and revenue budgets.
 - The provision of an additional winter maintenance depot in east Surrey (Beare Green) will improve operational resilience during snow events, enable salt stocks to be aligned with gritter routes and ensure that all salt stocks are kept undercover.
 - The new depot configuration at Beare Green and Chertsey will enable the council to access operational efficiency and cost savings through its Highways term contract with Kier to offset the additional revenue costs of operating an additional depot. These savings will be generated by re-planning the winter maintenance routes to reduce the size of the fleet when it is being replaced in 2019.

CONSULTATION:

12. Ongoing discussions are taking place with Kier (highway maintenance contractor) and Essential Fleet Services (their fleet services provider), who are responsible for the operational delivery of the winter maintenance services.
13. The phased changes to the winter maintenance route network and salt storage arrangements will be considered in the annual review undertaken by the Winter Service Task Group and reported to the Economic Prosperity, Environment and Highways Board in the late Summer/Autumn 2016.

RISK MANAGEMENT AND IMPLICATIONS:

14. Common to all construction programmes, there are risks associated with the projects and a programme risk register has been compiled and is regularly updated. A contingency allowance appropriate to each project has been included within the programme budget to mitigate potential unidentified or unquantifiable risks.
15. Planning permission will be required for the new winter maintenance depot at Lyne Lane, Chertsey. Due to the site being in the green belt this is a higher risk than normal but pre-application meetings are being undertaken. A specialist planning consultancy firm will also be engaged to develop and progress the detailed planning application. Phase 2 of the programme will only proceed once a successful planning application for the development has been made.
16. The programme should generate capital receipts in excess of the redevelopment costs through the subsequent disposal of two existing depot sites. Independent valuation advice on the potential range of capital receipts that are likely to be realised has been provided. The phased construction programme has been developed based on the most pessimistic of the capital receipt forecasts provided.

Financial and Value for Money Implications

17. The programme will be subject to robust cost challenge and scrutiny to drive optimum value as it progresses. Further financial details are set out in the report circulated in Part 2 of the agenda. These details have been circulated separately to ensure commercial sensitivity in the interests of securing best value.

Section 151 Officer Commentary

18. The Section 151 Officer confirms that the impact on the MTFP is the cost of borrowing to fund the investment prior to realising the capital receipts; since the recommended schemes should generate capital receipts in excess of the investment required and there are net ongoing revenue savings. As the scrutiny of the business case has only recently completed this proposal is not included in the recently approved 2016-21 Medium Term Financial Plan (MTFP). The risks to securing planning permission are articulated and phase two will only continue once this is secured.
19. The programme was considered and supported by Investment Panel on the 15 March 2016.

Legal Implications – Monitoring Officer

20. Section 41 (1A) of the Highways Act 1980 states that a highway authority is under a duty to ensure, so far as is reasonably practicable, that safe passage along a highway is not endangered by snow or ice. Case law has indicated the importance of maintaining an efficient and effective highway winter maintenance service that can be deployed to deliver a comprehensive plan for dealing with snow and ice on the highway network. This will evidence that the local authority has the ability to perform its duty in a reasonably practicable manner.

Equalities and Diversity

- 21. The highways winter service priority is, as far as is reasonably practicable, to safeguard the movement and well-being of all highway users, both residents of Surrey and those passing through the county.
- 22. The needs of all highway users, including those that are vulnerable, are considered when making decisions on service provision, within the constraints of the overall area of the network that can be treated. The changes to the depot locations will not affect the current priority network that is treated. The impact of the service therefore continues to be both positive and negative on all groups identified depending on their location in relation to the network treated.
- 23. The existing priority network that will continue to be operated from the changed network of depots has been developed with particular reference to facilities such as schools, stations, hospitals, special schools and access to isolated communities. The policy has been further developed, through these enhanced criteria, to allow an increase to the priority salting network.
- 24. The recommendations of this report will have no material impact on existing equality policy and therefore a full equalities assessment was not deemed necessary.

Other Implications:

- 25. The potential implications for the following council priorities and policy areas have been considered. Where the impact is potentially significant a summary of the issues is set out in detail below.

Area assessed:	Direct Implications:
Corporate Parenting/Looked After Children	No significant implications arising from this report
Safeguarding responsibilities for vulnerable children and adults	No significant implications arising from this report
Public Health	No significant implications arising from this report
Climate change	Set out below.
Carbon emissions	Set out below.

Climate change/carbon emissions implications

- 26. The County Council attaches great importance to being environmentally aware and wishes to show leadership in cutting carbon emissions and tackling climate change.
- 27. The new facilities will be designed to incorporate energy conservation measures including rainwater harvesting for use to produce brine used to pre-treat the highway network. Suitable waste materials generated through the demolition of existing buildings on site will be incorporated into the structure of the depots. Reductions in the number of gritters utilised and the amount of

travel mileage will reduce the carbon emissions produced in delivering the winter maintenance service.

WHAT HAPPENS NEXT:

28. If approved, to proceed to appoint consultants and contractors to undertake the design, procurement and construction of the various projects in the proposed programme through delegated decision.
 29. Key project milestones;
 - Spring 2017 - Secure planning permission for new depot at Lyne Lane, Chertsey
 - Summer 2018 – New Winter Maintenance Depot completed at Beare Green
 - Autumn 2018 – New Winter Maintenance Depot operational at Lyne Lane and new salt barn installed at Merrow Depot, Guildford
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Consulted:

Julie Fisher, Deputy Chief Executive
Trevor Pugh, Strategic Director Environment and Infrastructure
Susan Smyth, Strategic Finance Manager

Annexes:

Part 2 report with financial details attached to agenda as item 18.

Sources/background papers:

Cabinet Report of 22 September 2015: Highways Cold Weather Plan for 2015/16

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