National Productivity Investment Fund for the Local Road Network Application Form

The level of information provided should be proportionate to the size and complexity of the project proposed. As a guide, for a small project we would suggest around 10-15 pages including annexes would be appropriate.

One application form should be completed per project and will constitute a bid.

**Applicant Information**

Local authority name(s)*: Herefordshire Council

Bid Manager Name and position: Steve Burgess, Head of Transportation and Access

Contact telephone number:  
sburgess@herefordshire.gov.uk

Email address:

Postal address: Herefordshire council  
Plough Lane  
Hereford  
HR4 0LE

Combined Authorities

Name and position of Combined Authority Bid Co-ordinator: N/A

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:
https://www.herefordshire.gov.uk/info/200136/travel_and_transport/723/herefordshire_road_investment
A1. **Project name:** Hereford University City Transport Package

A2: Please enter a brief description of the proposed project (no more than 50 words)

The project comprises active mode measures to enhance connectivity between Hereford city centre, the north-east of the city including the NMITE University, and the Hereford Enterprise Zone and the Lower Bullingham strategic urban housing site. It is fully integrated with our major scheme transport packages and our behavioural change projects.

A3: Please provide a short description of area covered by the bid (no more than 50 words)

Package focusses on movement corridors between the north of the city, the city centre – including rail and bus stations and NMITE - and key strategic developments to the south of the city including the HEZ and new housing at Lower Bullingham. The package components are shown below.

OS Grid Reference: **SO 51175 39982** – St Peters Square
Postcode: **HR1 2PQ**
A4. How much funding are you bidding for? (please tick the relevant box):

**Small project bids** (requiring DfT funding of between £2m and £5m) ☒

**Large project bids** (requiring DfT funding of between £5m and £10m) ☐

A5. Has any Equality Analysis been undertaken in line with the Equality Duty? (Appendix 1) ☒ Yes ☐ No

A6. If you are planning to work with partnership bodies on this project (such as Development Corporations, National Parks Authorities, private sector bodies and transport operators) please include a short description below of how they will be involved.

The diagram below shows the main relationships associated with the delivery of University Transport Package which will provide further infrastructure improvements to support the activity of those partnerships.

Hereford University City Transport Package Relationships

To encourage use of the scheme by employees/students at the Hereford Enterprise Zone (HEZ) we have established a close relationship with the HEZ and NMITE University Boards and their Travel Plan Coordinators. This has identified the need for enhanced active mode connections between the two establishments which the proposed scheme would deliver.

A7. Combined Authority (CA) Involvement

Have you appended a letter from the Combined Authority supporting this bid? ☐ Yes ☐ No
<table>
<thead>
<tr>
<th>A8. Local Enterprise Partnership (LEP) Involvement and support for housing delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you appended a letter from the LEP supporting this bid? ☒ Yes  ☐ No</td>
</tr>
<tr>
<td>For proposed projects which encourage the delivery of housing, have you appended supporting evidence from the housebuilder/developer? ☒ Yes  ☐ No</td>
</tr>
</tbody>
</table>
SECTION B – The Business Case

B1: Project Summary

Please select what the project is trying to achieve (select all categories that apply)

**Essential**
- Ease urban congestion
- Unlock economic growth and job creation opportunities
- Enable the delivery of housing development

**Desirable**
- Improve Air Quality and/or Reduce CO2 emissions
- Incentivising skills and apprentices

Other(s), Please specify - Supporting the delivery of the NMITE which is seeking to address a UK shortage of graduate engineers and health and well-being benefits city wide.

B2: Please provide evidence on the following questions (max 100 words for each question):

a) What is the problem that is being addressed?

A combination of a capacity constrained highway network - only one effective river crossing - and excessive demand, particularly from short distance car journeys (see graphic below), results in heavy congestion on the A49 trunk road which leads to extended journey times, poor journey time reliability and poor air quality. As a result Highways England has placed a cap on further development at the Hereford Enterprise Zone and at the Lower Bullingham strategic housing site. Use of the busy highway network by active modes is unattractive from a safety and severance perspective and alternative routes for active modes are limited.
b) What options have been considered and why have alternatives been rejected?

We have adopted a transport strategy for delivery by 2025 which combines additional transport capacity – a bypass and active mode measures within the city – behavioural change projects and increases in parking tariffs. In the short term we are progressing measures which will improve the active transport network between the north east and city centre/university and the HEZ to the south supported by residential and on-street parking charges (see strategic context diagram below). Options comprising only a bypass, only active mode measures or only parking charges have been rejected on the grounds they would not deliver our objectives.

c) What are the expected benefits/outcomes? For example, could include easing urban congestion, job creation, enabling a number of new dwellings, facilitating increased GVA.

- Reduced congestion and improved journey time reliability
- Delivery of housing development at the Lower Bullingham strategic housing site and additional jobs at the HEZ
- Improved air quality
- Improved active mode access to the HEZ, particularly between the NMITE university and the recently LGF funded HEZ Incubation Centre and HEZ cybersecurity centre
- Support for the operation of the NMITE university
- Increases in walking, cycling and bus use with associated health and well-being benefits
- Supporting sustainable economic growth and the retention of young people in Hereford.

d) Are there any related activities that the success of this project relies upon? For example, land acquisition, other transport interventions requiring separate funding or consents?

No, this project can be delivered independently of other projects but it will be enhanced by a number of related projects including Destination Hereford 3 funded by the Access Fund, HEZ capital programme, Development Partnership project, NMITE and our major scheme packages – Hereford City Centre Transport Package and South Wye Transport Package and the emerging Hereford Transport Package.

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

Resources have already been programmed to improve signage between the city centre and the HEZ but will not include infrastructure improvements. This will not overcome the problems in the corridor including poor quality public realm, lack of direct and coherent cycle routes and pedestrian crossing facilities and hence is unlikely to facilitate the same scale of modal shift and subsequent benefits.

f) What is the impact of the project – and any associated mitigation works – on any statutory environmental constraints? For example, Local Air Quality Management Zones.

Positive impacts – improvements to the Hereford AQMA whilst the public realm improvements will support the Hereford Central Area Conservation Area and improve the setting of several imposing listed buildings.
B3: Please complete the following table. Figures should be entered in £000s (i.e. £10,000 = 10).

Table A: Funding profile (Nominal terms)

<table>
<thead>
<tr>
<th>University City Transport Package</th>
<th>2017/18</th>
<th>2018/19</th>
<th>2019/20</th>
<th>TOTAL £000's</th>
</tr>
</thead>
<tbody>
<tr>
<td>DfT funding sought</td>
<td>0</td>
<td>2175</td>
<td>2812</td>
<td>4987</td>
</tr>
<tr>
<td>Local Authority contribution</td>
<td>1710</td>
<td>1020</td>
<td>700</td>
<td>3430</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>1710</td>
<td>3195</td>
<td>3512</td>
<td><strong>8417</strong></td>
</tr>
</tbody>
</table>

B4: Local Contribution & Third Party Funding: Please provide information on the following questions (max 100 words on items a and b):

a) Provide an outline of all non-DfT funding contributions to the project costs, the level of commitment, and when the contributions will become available.
The local contribution of £3.43M representing 41% of the overall project value will be programmed from the council’s capital programme. A number of elements of the package will be commenced in the current financial year resulting in a committed local contribution of £1.71M for 2017/18. Further local contribution (£1.72M, 34%) covering the period 2018/19 and 2019/20 is committed in principle as agreed by the cabinet member for infrastructure and will be included in annual budget setting proposals which takes place during Q3&4 of the previous financial year.

b) List any other funding applications you have made for this project or variants thereof and the outcome of these applications, including any reasons for rejection.

No previous funding applications have been made for this project.

B5 Economic Case
This section should set out the range of impacts – both beneficial and adverse – of the project. The scope of information requested (and in the supporting annexes) will vary, including according to whether the application is for a small or large project.

A) Requirements for small project bids (i.e. DfT contribution of less than £5m)

a) Please provide a description of your assessment of the impact of the project to include:

- Significant positive and negative impacts (quantified where possible) including in relation to air quality and CO₂ emissions. See appendix 3
- A description of the key risks and uncertainties; See appendix 2
- If any modelling has been used to forecast the impact of the project please set out the methods used to determine that it is fit for purpose. See appendix 3

b) Small project bidders should provide the following in annexes as supporting material:

| Has a Project Impacts Pro Forma been appended? | ☒ Yes | ☐ No | ☐ N/A |
| Has a description of data sources / forecasts been appended? | ☒ Yes | ☐ No | ☐ N/A |
| Has an Appraisal Summary Table been appended? | ☒ Yes | ☐ No | ☐ N/A |

Other material supporting your assessment of the project described in this section should be appended to the bid.

B) Additional requirements for large project bids (i.e. DfT contribution of more than £5m)

c) Please provide a short description (max 500 words) of your assessment of the value for money of the project including your estimate of the Benefit Cost Ratio (BCR) to include:

- Significant monetised and non-monetised costs and benefits
- Description of the key risks and uncertainties and the impact these have on the BCR;
- Key assumptions including; appraisal period, forecast years, optimism bias applied; and
- Description of the modelling approach used to forecast the impact of the project and the checks that have been undertaken to determine that it is fit-for-purpose.

NOT REQUIRED
d) Additionally detailed evidence supporting your assessment, including the completed Appraisal Summary Table, should be attached as annexes to this bid. A checklist of material to be submitted in support of large project bids has been provided.

Has an Appraisal Summary Table been appended? ☒Yes ☐ No ☐ N/A

- Please append any additional supporting information (as set out in the Checklist).

B6 Economic Case: For all bids the following questions relating to desirable criteria should be answered.

Please describe the air quality situation in the area where the project will be implemented by answering the three questions below.

i) Has Defra’s national air quality assessment, as reported to the EU Commission, identified and/or projected an exceedance in the area where the project will be implemented?

☐ Yes ☒ No

ii) Is there one or more Air Quality Management Areas (AQMAs) in the area where the project will be implemented? AQMAs must have been declared on or before the 31 March 2017

☒ Yes ☐ No

iii) What is the project’s impact on local air quality?

☒ Positive ☐ Neutral ☐ Negative

The aim of the project is to provide direct access for active travel modes between the city centre and key attractors to the north of the city including the Higher Education Campus at Folly Lane and the HEZ and residential areas to the south of the city. These corridors will provide alternative access for shorter trips (<5km) to the A49 Trunk road, reducing traffic flows on this congested route and improving air quality.

iv) Does the project promoter incentivise skills development through its supply chain?

☒ Yes ☐ No ☐ N/A

Herefordshire Council’s National Skills Academy for Construction is overseen by the Construction Industry Training Board and has created new jobs in construction and works closely with local schools. The HUCTP project will be delivered through the Council’s public realm contract which is provided by Balfour Beatty Living Places. The contract includes key performance indicators which seek to incentivise skills development both within the provider (BBLP) and its subcontractors. KPIs include:

- Jobs created from apprenticeships, graduates and unemployed,
- Construction careers information, guidance and events activity,
- Waged training weeks on site (apprentices, graduates, new entrants), and
- Training plans for employees of BBLP and subcontractors
B7. Management Case - Delivery (Essential)

Deliverability is one of the essential criteria for this Fund and as such any bid should set out, with a limit of 100 words for each of a) to b), any necessary statutory procedures that are needed before it can be constructed.

a) A project plan (typically summarised in Gantt chart form) with milestones should be included, covering the period from submission of the bid to project completion.

Has a project plan been appended to your bid? ☒ Yes ☐ No

b) If delivery of the project is dependent on land acquisition, please include a letter from the respective land owner(s) to demonstrate that arrangements are in place to secure the land to enable the authority to meet its construction milestones.

Has a letter relating to land acquisition been appended? ☐ Yes ☒ No ☐ N/A

c) Please provide in Table C summary details of your construction milestones (at least one but no more than 6) between start and completion of works:

**Table C: Construction milestones**

<table>
<thead>
<tr>
<th>Construction milestones</th>
<th>Estimated Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Start of works</td>
<td></td>
</tr>
<tr>
<td>High Town refurbishment works (on-going programme)</td>
<td>spring 2018</td>
</tr>
<tr>
<td>Traffic Regulation Orders</td>
<td>started spring 2016</td>
</tr>
<tr>
<td>Construction starts</td>
<td>March 2019</td>
</tr>
<tr>
<td>Opening date</td>
<td>June 2019</td>
</tr>
<tr>
<td>Completion of works (if different)</td>
<td>March 2020</td>
</tr>
</tbody>
</table>

d) Please list any major transport projects costing over £5m in the last 5 years which the authority has delivered, including details of whether these were completed to time and budget (and if not, whether there were any mitigating circumstances)

- Widemarsh Street 2 year refurbishment programme opened 2013, on time and on budget
- Hereford Greenway - new traffic -free river crossing connecting Hereford Enterprise Zone with the City. Six year programme completed December 2013, 9 months delay. Factors included steel supplier going into receivership, relocating the crossing point in response to local stakeholders and securing access with local landowners.
- City Link Road is due for completion end 2017 and is currently on schedule
a) Please list if applicable, each power / consent etc. already obtained, details of date acquired, challenge period (if applicable), date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.

N/A

b) Please list if applicable any outstanding statutory powers / consents etc. including the timetable for obtaining them.

Traffic regulation orders will be required for elements indicated on the project plan to facilitate on-road cycle lanes. These will be applied for following consultation Winter 2018/19 to enable construction to commence Summer 2019.

B9. Management Case – Governance (Essential)

Please name those who will be responsible for delivering the project, their roles (Project Manager, SRO etc.) and responsibilities, and how key decisions are/will be made. An organogram may be useful here.

The HUCTP project will be managed in a PRINCE2 environment with the project manager, supported by a project team accountable to a SRO (Project Executive) supported by a Project Board.

Due to the complementarity and essential linkages to other capital infrastructure projects that will dovetail with the project, HUCTP will report to Herefordshire Council’s Major Infrastructure Delivery Board. This is in line with each of the Council’s key infrastructure projects, including the Hereford City Centre Improvements, Hereford City Centre Transport Package and the South Wye Transport Package.

Monthly dashboard reports will be presented at the project board as part of an established performance dashboard which is how the concurrent packages are being reported. This will report on programme delivery, financial forecasting, risk, change control and decisions.

The following organogram illustrates the Governance structure:
Governance Structure

Project Manager - Responsible for day to day management of HCU TP project
- Mairead Lane, Head of Infrastructure Delivery, HC

SRO - Project Sponsor and Project Executive accountable for project
- Richard Ball, Assistant Director Commissioning, HC

Project Board – Herefordshire Council Major Infrastructure Delivery Board- Responsible for supporting SRO and ensuring synergy with Local Growth Fund Projects
- Richard Ball, Assistant Director Commissioning, HC
- Richard Gabb, Programme Director
- Martyn Brooks, Director, Local Government Services, Parsons Brinckerhoff
- Mairead Lane, Head of Infrastructure Delivery, HC
- Ian Higgs, Development Manager, HC
- Kevin Bishop, Development Manager, HC
- Dawn Evans, Commercial & Highways Lawyer, HC
- Jeremy Callard, Transportation Strategy Manager, HC
- Gareth Rees, Finance Manager, HC
- Nick Webster, Economic Development Manager, HC
- Management Board Support Officer, HC
- Alastair MacDonald, Contract Director, Balfour Beatty Living Places (BBLP)
- Dean Neale, Senior Project Manager, BBLP
- Martin Worsfold, Delivery Manager, BBLP
**Delivery Team** - Responsible for supporting Project Manager and delivering individual work packages / project themes
- Jeremy Callard, Transportation Strategy Manager, HC
- Michelle Morgan, Communications, Consultation & Engagement, HC
- Kevin Bishop, Planning, HC
- Ian Higgs, Property Services, HC
- James Fishlock, Project Manager, BBLP
- Dawn Evans, Legal Services, HC
- Mairead Lane, Head of Infrastructure Delivery, HC
- David Shepherd, Director, nMITE

**Decision making** - Day to Day Operational decisions
- Made by Project Manager in discussion with Delivery Team

**Management decisions**
- Made by Project Manager after discussion and consideration at Delivery Team.
- If appropriate, escalated to SRO via Exception Report.

**Key / strategic decisions**
- Reported to SRO and Project Board via either Monthly Highlight Report or if required by

**Exception Report**
- Considered by Project Board
- SRO to make decision and inform Project Manager

**Performance Reporting**
In addition to monthly dashboard reports to the Project Board, HCUTP will be included in corporate performance management system which requires monthly performance updates which are reported to the SRO, HC Management Board, the Cabinet Member and Cabinet.
B10. Management Case - Risk Management (Essential)

All projects will be expected to undertake a Quantified Risk Assessment (QRA) and a risk register should be included. Both should be proportionate to the nature and complexity of the project. A Risk Management Strategy should be developed that outlines how risks will be managed.

Please ensure that in the risk / QRA cost that you have not included any risks associated with ongoing operational costs and have used the PS0 value.

Has a QRA been appended to your bid? ☒ Yes ☐ No
Has a Risk Management Strategy been appended to your bid? ☒ Yes ☐ No

Please provide evidence on the following points (where applicable) with a limit of 50 words for each:

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

Estimates are costed using rates developed from previous similar projects. Appropriate risk allowances have been made based on professional expertise and experience of similar schemes.

b) How will cost overruns be dealt with?

Value engineering will be undertaken to manage spend to budget and any unavoidable cost overruns would be funded from local contributions.

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

Lack of stakeholder support could impact on delivery and programme of individual scheme elements. This will be managed across the programme.

B11. Management Case - Stakeholder Management (Essential)

The bid should demonstrate that the key stakeholders and their interests have been identified and considered as appropriate. These could include other local authorities, the Highways England, statutory consultees, landowners, transport operators, local residents, utilities companies etc. This is particularly important in respect of any bids related to structures that may require support of Network Rail and, possibly, train operating company(ies).

a) Please provide a summary in no more than 100 words of your strategy for managing stakeholders, with details of the key stakeholders together with a brief analysis of their influences and interests.

HUCTP is part of an on-going programme of transport infrastructure projects for which we have developed an extensive database of stakeholders and consultees. Our latest consultation on the Hereford Transport Package (Hereford Bypass) was in Spring 2017 which has given us an opportunity to ensure our records are both up to date and relevant. This will form the basis for consultation on HUCTP. We propose an informal round of consultation with key stakeholders in June 2018 to allow us to develop detailed design for formal consultation early in 2019

b) Can the project be considered as controversial in any way? ☐ Yes ☒ No

If yes, please provide a brief summary in no more than 100 words.
c) Have there been any external campaigns either supporting or opposing the project?

☐ Yes ☒ No

If yes, please provide a brief summary (in no more than 100 words)

d) For **large projects only** please also provide a Stakeholder Analysis and append this to your application.

Has a Stakeholder Analysis been appended?  ☐ Yes  ☐ No  ☒ N/A

e) For **large projects only** please provide a Communications Plan with details of the level of engagement required (depending on their interests and influence), and a description of how and by what means they will be engaged with.

Has a Communications Plan been appended?  ☐ Yes  ☐ No  ☒ N/A

**B12. Management Case – Local MP support (Desirable)**

e) Does this proposal have the support of the local MP(s)?

Name of MP(s) and Constituency

1 Jesse Norman, Hereford and South Herefordshire  ☒ Yes  ☐ No

**B13. Management Case - Assurance (Essential)**

We will require Section 151 Officer confirmation (Section D) that adequate assurance systems are in place.

Section 151 officer signature is shown in section D2 below.

Additionally, for **large projects** please provide evidence of an integrated assurance and approval plan. This should include details of planned health checks or gateway reviews.

N/A

**SECTION C – Monitoring, Evaluation and Benefits Realisation**

C2. Please set out, **in no more than 100 words**, how you plan to measure and report on the benefits of this project, alongside any other outcomes and impacts of the project.

Appendix 7 contains a monitoring and evaluation plan for the HUCTP.
**SECTION D: Declarations**

**D1. Senior Responsible Owner Declaration**

As Senior Responsible Owner for [project name] I hereby submit this request for approval to DFT on behalf of [name of authority] and confirm that I have the necessary authority to do so.

I confirm that [name of authority] will have all the necessary statutory powers in place to ensure the planned timescales in the application can be realised.

<table>
<thead>
<tr>
<th>Name: Richard Ball</th>
<th>Signed:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Position: Assistant Director Environment and Place</td>
<td></td>
</tr>
</tbody>
</table>

**D2. Section 151 Officer Declaration**

As Section 151 Officer for Herefordshire Council I declare that the project cost estimates quoted in this bid are accurate to the best of my knowledge and that Herefordshire Council

- Has allocated sufficient budget to deliver this project on the basis of its proposed funding contribution
- 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 project
- Accepts that no further increase in DFT funding will be considered beyond the maximum contribution requested and that no DFT funding will be provided for this bid in 2020/21.
- Confirms that the authority has the necessary governance / assurance arrangements in place and, for smaller project bids, the authority can provide, if required, evidence of a stakeholder analysis and communications plan in place
- Confirms that if required a procurement strategy for the project is in place, is legally compliant and is likely to achieve the best value for money outcome

| Name: Andrew Lovegrove | Signed: |

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**HAVE YOU INCLUDED THE FOLLOWING WITH YOUR BID?**

<table>
<thead>
<tr>
<th>Item</th>
<th>Yes</th>
<th>No</th>
<th>N/A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Combined Authority multiple bid ranking note (if applicable)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Map showing location of the project and its wider context</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Combined Authority support letter (if applicable)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEP support letter (if applicable)</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Housebuilder / developer evidence letter (if applicable)</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Land acquisition letter (if applicable)</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Projects impact pro forma (must be a separate MS Excel)</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Appraisal summary table</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
<tr>
<td>Project plan/Gantt chart</td>
<td>Yes</td>
<td>No</td>
<td>N/A</td>
</tr>
</tbody>
</table>