

North Yorkshire County Council
Business and Environmental Services

Executive Members

18 January 2021

Highway Development Service – Design and Construction Project

Report of the Assistant Director – Highways and Transportation

1.0 Purpose of Report

- 1.1 The purpose of this report is to seek agreement from the Corporate Director, Business and Environmental Services (BES), in consultation with BES Executive Members, for the procurement of S278 works on behalf of a third party through the Council's Highway Development Service (HDS).

2.0 Background

- 2.1 The Council's HDS is a design and construction offer to the developer community for Section 278 works associated their development. Section 278 of the Highways Act 1980 gives a local authority the right to decide the undertaking of design and/or construction of works associated with a S278 Agreement.
- 2.2 The HDS is a project, which was established by the Council in May 2019 and until now, has focused exclusively on design. It was always the intention to offer a construction service to sit alongside though and the project under consideration here represents a good opportunity to do so, for both the Council and its teckal company, Align Property Partners (APP). APP provides the majority of the design function for the HDS and the expectation is that it would also take on the project supervision role as part of the construction offer. The reasons for having so far not offered a construction service, are set out further under Section four of this report.

3.0 The Scheme

- 3.1 The company, Anglo American, has approached the Council, through its HDS, to construct a Ghost Island Right Turn Lane arrangement on the A171 near the village of Egton, along with a new bellmouth/site entrance to serve the mine site, which is associated with the Potash development.

4.0 Financial Implications

- 4.1 Unlike schemes delivered through the highways capital works programme for example, which are funded by the Council from its Local Transport Plan (LTP) allocation, *all* costs associated with projects that come through the HDS are paid up front, in entirety, by the developer. This includes design, construction, supervision and project management. Further, NYCC fees, previously agreed through the HDS governance framework, are applied to projects in order to ensure all Council costs are covered.
- 4.2 For HDS projects though like the Anglo American scheme here, where the Council is providing a design *and* construction service, with the supervision fees the Council charges, there is a consequential financial impact on the level of superintendence the Council is then able to charge on these projects. The majority of the annual

superintendence income though comes from S38 works (construction of a new estate road) rather than S278 schemes as is the case here, so the overall impact of a construction offer through the HDS on existing budgets is considered to be low.

- 4.3 Nevertheless, options for how best to manage this issue are under active consideration and the proposal here to progress the Anglo American project comes in advance of any decision over the appropriate mechanism for providing and charging for superintendence on HDS projects where the Council is also responsible for construction on behalf of a third party.
- 4.4 There remain though wider financial and other benefits associated with taking on construction of the Anglo American project, eg that the overall revenue generated in combination between NYCC and APP is greater through the HDS than if the Council, as local highway authority (LHA), was delivering a purely superintendence function. In addition, it is considered appropriate to foster positive relationships with Anglo American, a company that is investing heavily in North Yorkshire. This project also offers an excellent opportunity to develop the HDS construction offer and to help inform future decision making.

5.0 Equalities Implications

- 5.1 An Equality Impact Assessment screening has been completed (Appendix 1). It is considered an Equality Impact Assessment was not required and that there are no equality implications arising from this recommendation.

6.0 Climate Change Implications

- 6.1 A Climate Change Impact Assessment is included as Appendix 2 of this report. No impacts are anticipated given the report seeks approval for the procurement of construction works, which are required anyway as part of an existing planning condition.

6.0 Legal Implications

- 6.1 Officers have been working closely with Legal Services on the development of the HDS since its inception and most recently sought advice on the constitutional implications of expanding the HDS offer to incorporate construction.
- 6.2 It is considered that there are no legal implications from offering a construction service other than there being a requirement for the appropriate approvals to be in place in order to allow the Council to tender the works.

7.0 Recommendation

- 7.1 It is recommended that the Corporate Director, BES and the BES Executive Members agree the procurement of the S278 construction works for the Anglo American scheme as set out in section 3.1 of this report.

BARRIE MASON
Assistant Director - Highways and Transportation

Author of Report: Allan McVeigh
Background Documents: None

<p>Initial equality impact assessment screening form (As of October 2015 this form replaces 'Record of decision not to carry out an EIA')</p> <p>This form records an equality screening process to determine the relevance of equality to a proposal, and a decision whether or not a full EIA would be appropriate or proportionate.</p>			
Directorate	Business and Environmental Services		
Service area	Highways and Transportation		
Proposal being screened	Approval to commence tender for S278 construction works at Ladycross, Egton on behalf of Anglo American, to be delivered through the Highway Development Service		
Officer(s) carrying out screening	Emily Mellalieu		
What are you proposing to do?	To put a tender package out for works of an estimated value of between £400k- £500k		
Why are you proposing this? What are the desired outcomes?	Anglo American has approached NYCC to deliver the works through its Highway Development Service		
Does the proposal involve a significant commitment or removal of resources? Please give details.	The value of the works in anticipated to be between £4000k - £500k. This would be funded by Anglo American, but would be commissioned by NYCC through the HDS.		
<p>Impact on people with any of the following protected characteristics as defined by the Equality Act 2010, or NYCC's additional agreed characteristic As part of this assessment, please consider the following questions:</p> <ul style="list-style-type: none"> • To what extent is this service used by particular groups of people with protected characteristics? • Does the proposal relate to functions that previous consultation has identified as important? • Do different groups have different needs or experiences in the area the proposal relates to? <p>If for any characteristic it is considered that there is likely to be a significant adverse impact or you have ticked 'Don't know/no info available', then a full EIA should be carried out where this is proportionate. You are advised to speak to your Equality rep for advice if you are in any doubt.</p>			
Protected characteristic	Yes	No	Don't know/No info available
Age		No	
Disability		No	
Sex (Gender)		No	
Race		No	
Sexual orientation		No	

Gender reassignment		No	
Religion or belief		No	
Pregnancy or maternity		No	
Marriage or civil partnership		No	
NYCC additional characteristic			
People in rural areas		No	
People on a low income		No	
Carer (unpaid family or friend)		No	
Does the proposal relate to an area where there are known inequalities/probable impacts (e.g. disabled people's access to public transport)? Please give details.	No.		
Will the proposal have a significant effect on how other organisations operate? (e.g. partners, funding criteria, etc.). Do any of these organisations support people with protected characteristics? Please explain why you have reached this conclusion.	No		
Decision (Please tick one option)	EIA not relevant or proportionate:	X	Continue to full EIA:
Reason for decision	The report relates to the commissioning of highway work by NYCC, on behalf of a third party, through the Highway Design Service. This is a financial decision based on the works value and therefore has no impact upon any protected characteristic		
Signed (Assistant Director or equivalent)	Barrie Mason		
Date	13/1/2021		

Climate change impact assessment



The purpose of this assessment is to help us understand the likely impacts of our decisions on the environment of North Yorkshire and on our aspiration to achieve net carbon neutrality by 2030, or as close to that date as possible. The intention is to mitigate negative effects and identify projects which will have positive effects.

This document should be completed in consultation with the supporting guidance. The final document will be published as part of the decision making process and should be written in Plain English.

If you have any additional queries which are not covered by the guidance please email climatechange@northyorks.gov.uk

Please note: You may not need to undertake this assessment if your proposal will be subject to any of the following:

Planning Permission
Environmental Impact Assessment
Strategic Environmental Assessment

However, you will still need to summarise your findings in in the summary section of the form below.

Please contact climatechange@northyorks.gov.uk for advice.

Title of proposal	Ladycross Anglo American Works – Potential Delivery through HDS
Brief description of proposal	To tender for high value works on behalf of third party, Anglo American, through the Highway Development Service.
Directorate	BES
Service area	Network Strategy
Lead officer	Emily Mellalieu
Names and roles of other people involved in carrying out the impact assessment	Emily Mellalieu, Allan McVeigh
Date impact assessment started	11/1/2021

Options appraisal
 Were any other options considered in trying to achieve the aim of this project? If so, please give brief details and explain why alternative options were not progressed.

The work could be delivered through the more traditional S278 process. This would change the contractual mechanism for the undertaking of the works but would not change their need to be undertaken and therefore would not have any impact upon the climate change implications.

What impact will this proposal have on council budgets? Will it be cost neutral, have increased cost or reduce costs?

Please explain briefly why this will be the result, detailing estimated savings or costs where this is possible.

The works are valued at between £400k and £500k. The work will be put out to tender by NYCC, with all costs covered by a third party.

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Minimise greenhouse gas emissions e.g.</p>	<p>Emissions from travel</p>	<p>X</p>		<p>The report seeks approval of the mechanism for the undertaking of third</p>		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>	
<p>reducing emissions from travel, increasing energy efficiencies etc.</p>					<p>party construction works, it does not however impact upon the requirement for the works or the method of construction, as the works are required by existing planning condition.</p>		
	<p>Emissions from construction</p>		<p>X</p>		<p>As above</p>		
	<p>Emissions from running of buildings</p>		<p>X</p>		<p>As above</p>		
	<p>Other</p>		<p>X</p>		<p>As above</p>		
<p>Minimise waste: Reduce, reuse, recycle and compost e.g. reducing use of single use plastic</p>		<p>X</p>			<p>As above</p>		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
Reduce water consumption		X		As above		
Minimise pollution (including air, land, water, light and noise)		X		As above		
Ensure resilience to the effects of climate change e.g. reducing flood risk, mitigating effects of drier, hotter summers		X		As above		
Enhance conservation and wildlife		X		As above		

<p>How will this proposal impact on the environment?</p> <p>N.B. There may be short term negative impact and longer term positive impact. Please include all potential impacts over the lifetime of a project and provide an explanation.</p>	<p>Positive impact (Place a X in the box below where relevant)</p>	<p>No impact (Place a X in the box below where relevant)</p>	<p>Negative impact (Place a X in the box below where relevant)</p>	<p>Explain why will it have this effect and over what timescale?</p> <p>Where possible/relevant please include:</p> <ul style="list-style-type: none"> • Changes over and above business as usual • Evidence or measurement of effect • Figures for CO₂e • Links to relevant documents 	<p>Explain how you plan to mitigate any negative impacts.</p>	<p>Explain how you plan to improve any positive outcomes as far as possible.</p>
<p>Safeguard the distinctive characteristics, features and special qualities of North Yorkshire's landscape</p>		X		<p>As above</p>		
<p>Other (please state below)</p>		X		<p>As above</p>		

<p>Are there any recognised good practice environmental standards in relation to this proposal? If so, please detail how this proposal meets those standards.</p>
<p>n/a</p>

Summary Summarise the findings of your impact assessment, including impacts, the recommendation in relation to addressing impacts, including any legal advice, and next steps. This summary should be used as part of the report to the decision maker.

The report relates to the commissioning of highway work by NYCC, on behalf of a third party, through the Highway Development Service. This is a financial decision based on the works value and therefore has no impact upon the environment or climate change. If the recommendation to proceed with the tender is approved, this will be undertaken, funded by a third party.

Sign off section

This climate change impact assessment was completed by:

Name	Emily Mellalieu
Job title	Development Management Team Leader
Service area	H&T -Network Strategy
Directorate	BES
Signature	E Mellalieu
Completion date	4/1/2020

Authorised by relevant Assistant Director (signature): Barrie Mason

Date: 13/01/21