

Meeting of:	CABINET
Date of Meeting:	19 NOVEMBER 2024
Report Title:	PARC AFON EWENNI REFURBISHMENT OF THE HIGHWAYS DEPOT AT WATERTON
Report Owner / Corporate Director:	CORPORATE DIRECTOR - COMMUNITIES
Responsible Officer:	KEVIN MULCAHY GROUP MANAGER HIGHWAYS AND GREEN SPACES
Policy Framework and Procedure Rules:	There is no impact on the policy framework and procedure rules.
Executive Summary:	The Highways Depot at Waterton remains in poor condition. Exploration of affordable alternative locations has not identified any which would be deliverable within current capital budget allocations. Accordingly, it is proposed to refurbish/maintain the existing depot on the existing footprint within the available capital budget on a prioritised basis.

1. Purpose of Report

- 1.1 The purpose of the report is to update Cabinet on the original proposal to reconstruct, and latterly relocate, the Highways Depot at Waterton. Work undertaken recently, and a recent review of capital funding available, has resulted in an updated proposal to maintain/refurbish the existing footprint within the remaining available capital budget on a prioritised basis.

2. Background

- 2.1 A report was presented to Cabinet in November 2016 which identified a strategy of continuing to operate a reduced footprint Depot at Waterton for the next 4/5 years. This provided the best value for money given the circumstances at the time. The strategy was to find a balance between operating a viable depot and maximising the land allocated for disposal. Five key/core operational facilities within the depot were identified:-

- The continued operation & location of the salt barn for winter maintenance.

- The continued operation & location of the de-watering facility
- The continued operation & location of the vehicle wash down ramp
- The continued operation & location of the refueling facility
- The continued operation of a materials reprocessing facility.

2.2 In November 2018, Cabinet approved a further report proposing to develop a permanent reconstructed Highways Depot at Waterton on a reduced footprint to allow the Parc Afon Ewenni (PAE) regeneration site proposal to progress and future proof future depot requirements for the Council as part of the overall depot rationalisation process.

2.3 The estimated cost to establish the reduced footprint depot at that time was in the region of £8.144 million, predicated in part upon a land receipt of £3.5 million. This proposed depot layout provides for:-

- the smallest operationally acceptable footprint
- a permanent, modern depot compliant with the appropriate standards
- maximum land available for disposal

2.4 In November 2021 a revised position was being considered for the overall Parc Afon Ewenni re-development as it was proving both very complex and challenging. It required multiple landowners / occupiers to move forward in a synchronised manner. The assessment suggested that a new Highways Depot at Brynmenyn Industrial Estate be developed alongside a rationalisation at the existing Bryncethin Depot. This would then have enabled the existing site at Waterton to become vacated and to form part of the Parc Afon Ewenni Strategic Housing Allocation within the Local Development Plan. This site could then have been taken forward in partnership with landowners and South Wales Police for a housing development with a new school.

3. Current situation / proposal

3.1 Since 2021 the proposal to relocate the Highways Depot to Brynmenyn Industrial Estate and subsequently provide a housing development and a new school at Parc Afon Ewenni have not progressed for a number of reasons. A significant factor has been the introduction by Welsh Government of Technical Advice Note 15 (TAN15) on development, flooding and coastal erosion. This designated the site at Parc Afon Ewenni in a flood zone and, despite a flood consequence challenge, its designation as a strategic housing site in the Local Development Plan was removed. As such the inability to be able to fully develop the site would mean that the anticipated capital receipt of £3.5 million would not be forthcoming to assist with the funding of an alternative or reduced footprint site. Additionally, in November 2023 council approved a virement of £1,173,530 from the Waterton Depot scheme to the Maesteg Town Hall project, leaving a remaining budget of £6,970,470. There have been other amendments to the budget during 2024-25, including the transfer of funding towards the cost of new waste vehicles, approved by Council, leaving a current budget of £7.091 million (of which £3.591 million is secured funding).

3.2 It is now apparent that:

- The relocation of the Highways Depot to a site/location elsewhere is no longer an affordable option.

- A revised/reduced layout of the depot at Waterton would not be able to be fully realised within the remaining capital funding.
- The estimated capital budget agreed by Cabinet/Council in 2018 for the construction of a revised Depot at Waterton on a reduced footprint, or indeed an alternative location, could not be achieved within the available funding envelope as a result of delays, partly caused through Covid-19 and recent significant inflationary increases.
- Requisite refurbishment works will need to be made on a prioritised basis within the existing footprint.

3.3 High priority key assets for maintenance/refurbishment are:

- Salt Barn
- Strategic stock refuelling facility
- Site Drainage - including washdown and de-watering facility
- Welfare facilities/Highways Stores
- Traffic Management, vehicular & pedestrian routes through the depot
- Licensed Waste Area.

3.4 The highest priority assets for maintenance/refurbishment are:

1. **Reroofing the Salt Barn & providing secure gates.**
2. **Replace the existing vehicle wash facility.**
3. **Renew the bulk fuel storage tanks, fuel delivery cabinets & pumps.**
4. **Reroof Highways building & electrical stores, rewire, renew windows and refurbish welfare facilities.**
5. **Drainage Phase 1 Associated with Highways building, refuelling facility, & salt barn area.**

3.5 Whilst it is considered that the secured capital budget should address these items, this would be subject to completion of design work, establishing robust estimates, and commencement of a formal tender process to procure the works. There remain other assets for maintenance/refurbishment for which additional capital will be required in due course. Other assets requiring remediation not included in the initial tranche include.

6. **Compliant on site drainage**, including pumping chambers & interceptors.
7. **Compliant Gulley waste de-watering facility.**
8. **Compliant licensed Waste Management area.** Hard standings, flood management measures, stillages and segregation of waste streams
9. **Maintenance of Roadways, site lighting and Pedestrian routes.**
10. **Compliant material storage bunkers and housings.**

4. Equality implications (including Socio-economic Duty and Welsh Language)

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty, and the impact on the use of the Welsh Language have been considered in the preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services, and functions. This is an information report; therefore, it is not necessary to carry out an Equality Impact assessment in the production of this report. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives

5.1 The Well-being of Future Generations (Wales) Act 2015 Assessment Template has been completed and a summary of the implications from the assessment relating to the five ways of working is outlined below in respect of the proposal:

- **Long-term**

The structure of the Highways Depot is no longer fit for purpose. In order to avoid associated reputational damage and to continue to provide & operate a Highways service it is necessary to maintain the existing depot.

- **Prevention**

Failure to maintain the depot & associated facilities will introduce risks to users and others.

- **Integration**

To maintain the depot on its existing footprint provides the Authority with a facility that has the capability of being able to support the requirements of a highway authority in discharging its duties in regard of maintenance of the public highway.

- **Collaboration**

The proposal seeks to maintain the depot, which is no longer fit for purpose, these works would consider the needs for future service delivery .

- **Involvement**

The project will engage with users of the facility in the prioritisation of refurbishment activities.

5.2 The impact on the Council's 7 Wellbeing Objectives has been considered and the report is relevant to Objective 5 'A county Borough that is responding to the climate and nature emergency' as the highways depot is at the centre of responding to climate changes, whether through winter ice, storms and flooding or maintaining or upgrading infrastructure to meet changes.

6. Climate Change Implications

- 6.1 There are no direct implications on climate change in relation to the maintenance of the Highways Depot.

7. Safeguarding and Corporate Parent Implications

- 7.1 There are no direct safeguarding and corporate parenting implications as a result of the content provided within this report.

8. Financial Implications

- 8.1 The available capital budget for the construction of a new depot on a reduced footprint at Waterton is currently £7,091,000, as follows:

	£000
Initial Budget approved by Council - November 2018	8,144
Virement to Maesteg Town Hall (MTH) – November 2023	-1,174
Part reversal of virement following receipt of grant funding for MTH – July 2024	+250
Virement of funding to waste vehicles – July 2024	-146
Transfer of funding back to Waterton following Council decision on funding of livery for waste vehicles	+17
Revised Capital Budget	7,091

This is funded as follows:

	£000
BCBC secured capital funding	3,591
Unsecured / unlikely capital receipt	3,500
Total funding	7,091

- 8.2 £3.5 million of the capital budget is predicated on anticipated land sales. However, due to flood risk maps recently updated by Natural Resources Wales (NRW), as a result of the introduction of TAN15, third party development land at the depot site within PAE, is no longer considered as available.
- 8.3 In the absence of the land sale the full capital funding of £7.091 million may not be realisable, and would require Council to agree to underwriting any shortfall in capital receipts with its own funding. Given the Council's current lack of capital funding it is proposed that those prioritised items identified within section 3.4 are addressed utilising the £3.591 million of BCBC funding with those items identified within section 3.5 of the report being subject to future capital bids which would allow the £3.5 million of unsecured capital to be unwound at this time.

9. Recommendations

9.1 It is recommended that Cabinet: -

- i. Notes the change of approach for delivery of the Highway Depot arising from changes to available capital budget alongside environmental and inflationary factors.
- ii. Delegate Authority to the Corporate Director of Communities in consultation with the Chief Officer – Legal and Regulatory Services, HR and Corporate Policy and the Chief Officer, Finance, Housing and Change to finalise the urgent works to the salt barn and other identified facilities, to procure and undertake the necessary works using the capital funding that is available for the Project as outlined in Paragraph 8.3 of the report.

Background documents

None