

## STRATEGIC INVESTMENT GROUP

# BUSINESS CASE – CAPITAL INVESTMENT

*This Business Case provides justification for undertaking a project. The completed form will be reviewed by the Strategic Investment Group who will make a recommendation to Council whether the bid should be approved and included within the Capital Plan. All sections should be completed and evidence of costs will need to be supplied.*

*For details of Strategic Investment Group meetings and deadlines for the submission of this form, please contact Richard Humphreys, Capital & Technical Finance Team on ext. 6144.*

<b>Project Name:</b>	Installation of salt barns at Corwen and Lôn Parcwr depots as well as construction of improved welfare and storage facilities at Corwen depot.
<b>Project Reference:</b>	TBC
<b>Project Manager:</b>	TBC
<b>Workstream/Programme:</b>	TBC

<b>Head of Service/Project Sponsor</b>	Tony Ward	<b>Lead member:</b>	Cllr Barry Mellor Cllr Gwyneth Ellis (Lead Member of AMG group)
<b>Service:</b>	Highways and Environmental Services	<b>LM Portfolio:</b>	
<b>Form completed by:</b>	Jon Chapman/Andy Clark	<b>Date:</b>	
<b>Service Accountant:</b>	Martyn Dodd	<b>Date:</b>	

### PROJECT TYPE

Please categorise your project type. Mark **one** box only.

<b>SMALL</b> <input type="checkbox"/>	<b>MEDIUM</b> <input type="checkbox"/>	<b>LARGE</b> <input checked="" type="checkbox"/>
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<b>DECISION SOUGHT FROM SIG:</b>	<ul style="list-style-type: none"> <li>To approve the concept of the project.</li> <li>To recommend that Cabinet allocate £ 2,231,060.13 of Council funds to install salt barns in Lôn Parcwr, Ruthin (£1,302,232.17) and Corwen Depots (£928,827.96)</li> </ul>
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## EXECUTIVE SUMMARY

Highlights the key points in the Business Case to include:-

- what the project will achieve / important benefits
- estimated costs
- how the project will be funded?

### Objectives

- To prevent environmental pollution caused by the leaching of salt to the nearby watercourse through lack of suitable salt holding and drainage facilities at the existing site
- To improve Denbighshire's resilience to winter weather by significantly increasing the storage capacity for salt - from 3,200 tonnes to 5,500 tonnes (table 1 in accompanying reports)
- To comply with current legislation and industry best practice concerning the storage and handling of rock salt
- To address concerns set out by NRW and ensure compliance

### Components

This project aims to replace the substandard salt storage and drainage facilities at the Corwen and Lôn Parcwr sites including:

1. Removal of the existing temporary welfare and storage facilities at Corwen depot.
2. Design and development of new salt storage facilities at Corwen and Lôn Parcwr
3. Design and improve current drainage systems at Corwen and Lôn Parcwr depots in order to ensure compliance with current standards and legislation.

The proposals in this report are detailed in the attached Asset Management Group (**Appendix B**) May 2022. Existing site plans and the proposed new layouts are detailed in **Appendices F and G respectively**.

The project recognises the need and demand of the services operating both sites. The service based at these sites deliver the winter maintenance service for the south of the county and also form a base for the operation needs for various Streetscene functions. The site runs an efficient operation and has been strategically located to cover the far reaching edges of rural southern Denbighshire this is also vital to in terms of winter maintenance provision to comply with Welsh Government and the North and Mid Wales Trunk Road Agency guidelines. It should also be noted that the council receives significant financial contributions for undertaking winter maintenance functions on behalf of NMWTRA as Welsh Governments agent, this involves contributions towards the upkeep and depreciation of depots, buildings, vehicles along with ongoing maintenance costs and any necessary training that is required (**Reference Appendix K**). NMWTRA have indicated that they would not be able to directly provide a contribution to the capital build cost, however NMWTRA's contribution towards the financial depreciation and upkeep for depots and buildings would increase significantly. This is based on the project being funded by a capital allocation and the current estimated lifespan of the building is based on 40 years which would involve a depreciation contribution of £12k per year. Furthermore, NMWTRA have also indicated that they would also cover the revenue running and maintenance cost, again on a pro-rata basis based on a network apportionment between trunk road and county roads. Should the project be funded by prudential borrowing in its entirety NMWTRA are willing to provide a contribution towards this cost on a similar pro-rata basis. The council would also incur additional costs for running county routes separate to trunk road routes should this collaboration end. Therefore, it is envisaged that there will be a long term requirement for sites at

these locations. Furthermore, it is essential that both sites are maintained into the future as operational depots in order to provide resilience during adverse weather events.

This business case will explore the options of redeveloping and upgrading salt storage facilities at both Corwen and Lôn Parcwr sites. We believe that this is necessary as the current Welsh Government guidance for Trunk Road Winter Maintenance operations stipulates that all routes should be treated within 2 hours (**reference Appendix H**) this would not be achievable running all routes from one location, such as the Lôn Parcwr site. A summary of this potential impact is shown in the below analysis (table 1, below) carried out using specialist route optimisation software. This is based on a scenario where the two routes currently run from Corwen (routes H & I) are instead run from Lôn Parcwr. In addition to this, running routes from one depot would significantly reduce salt storage capacity by circa 1500 tonnes and therefore lower resilience and fail to meet Welsh Government guidelines on the storage capacities we hold.

		Time (hrs)	Distance (miles)	Fuel used (l)	CO2 emissions per run	Cost of fuel per run	Cost of driver per run	Total cost per run
Route H	With Corwen	2.09	59.75	67.22	181.50	£100.83	£23.34	£124.17
	Without Corwen	3.15	86.18	96.95	261.76	£145.42	£39.19	£184.61
Route I	With Corwen	2.20	60.34	67.88	183.29	£101.83	£24.96	£126.79
	Without Corwen	3.23	86.06	96.82	261.41	£145.23	£40.39	£185.62

**Table 1 – Cost of not running routes from Corwen Depot.**

The current salt storage facilities are proven to be of insufficient and do not meet current environmental standards. (**See photos in Appendix F**) These facilities are not fit for purpose and fall far short of meeting the standard required for a modern operational service. Two samples were sent to our supplier’s lab for testing, one sample was that of freshly delivered salt and the second was taken from salt that has been stores on site for some time. The results show that the recently delivered salt was achieving a moisture content of 3.85% whereas the results of the older salt were achieving 12.75%, this is much higher than the recommended guidance of 4% or less. This information is shown in **Appendix E**. The importance of moisture content is further emphasised within section 4.3 of the attached NWSRG report (**Appendix H**).

The current welfare and storage buildings on site at Corwen do not meet our current operational and health & safety/welfare requirements and have limited storage capacity this also results in staff having to travel to other sites to collect equipment and consumable materials.

The construction and age of the temporary buildings mean that they are beyond economic repair and we propose the replacement of the temporary buildings with one purpose built permanent building that will encompass salt storage, equipment storage and welfare facilities. It should be noted that this is now become a priority due to recent intervention and subsequent warnings from NRW which has resulted in the need for the service to temporarily cease winter maintenance operations from the Corwen depot.

**What The Project Will Achieve**

This project will:

- Improved covered salt storage facilities thus mitigating the potential pollution risk into surface water courses.
- Improved site drainage that meets current standards and legislation.
- Consolidated and improved vehicle storage to accommodate compact sweepers and/or gang mowers along with a number of other types of equipment (Corwen only).
- Additional staff welfare; 1 no Accessible WC shown within the proposed new storage unit, with a small kitchenette area for tea/coffee facility (Corwen only).
- General storage for small plant and equipment (Corwen only).
- Increased EV charging facilities for council vehicles.

If the preferred option is approved there may be the scope for potential savings for heating, electricity and water consumption that could have a positive impact on revenue budgets. This option will also remove the need for extensive annual maintenance costs as well as the cost to 'sheet' the salt piles within the depots which is adding to the winter maintenance service revenue pressure.

## BUSINESS OPTIONS

Analysis and reasoned recommendation for the base business options of: do nothing / do the minimal or do something.

You must include an environmentally enhanced (net carbon zero/ecologically positive compatible) option. If your project is a business development project, then this may not be relevant.

<b>Option 1:</b>	<b>Do nothing – maintain the existing situation</b>				
<b>Please provide brief details:</b>					
<ul style="list-style-type: none"> <li>• Current welfare facilities in Corwen deteriorates to such an extent that it is inappropriate to continue to base staff there – in this scenario, alternative temporary welfare facilities would need to be identified and purchased, which in turn would have its own cost implication.</li> <li>• Risk of Legal action and possible financial penalties due to non-compliance with current environmental standards, which poses a significant risk to continued winter maintenance operations in both depots.</li> <li>• Costs escalate – costs have been prepared in-house by property professionals. The project may need to be value engineered in order to stay within an agreed budget. Given current volatile markets and uncertainties with fuel prices, suppliers, material costs etc., any delay could result in increased future costs to carry out the necessary building and site improvements.</li> <li>• Staff would continue to work in conditions that are sub-standard and fall short of the level of facilities expected by employees and unions. The poor energy efficiency record at this site would continue. The Do Nothing option, in essence, would postpone the need to find a more permanent solution to the inadequate salt storage and welfare issues. This option is not considered to be suitable nor sustainable and poses a considerable risk to the future winter maintenance service operation at these sites as outlined within the service risk register (Appendix C).</li> </ul>					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	<b>X</b>
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
<p>The current age and condition of the temporary buildings at Corwen do not meet current or future needs or the standards expected by staff and trade unions.</p> <p>This option doesn't address the sub-standard and inefficient salt storage facilities each site. It delays the inevitable requirement to replace the current sub-standard buildings and facilities.</p> <p>This option doesn't address concerns raised by NRW and as such the council is at risk or receiving financial penalties for non-compliance with environmental standards. This may also result in the authority not being able to use current depots for winter maintenance purposes.</p>					

<b>Option 2:</b>	<b>Installation of salt barns at Corwen and Lôn Parcwr depots as well as the construction of improved welfare and storage facilities at Corwen depot.</b>
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**Please provide brief details:**

Construction of improved salt storage facilities at Lôn Parcwr depot and salt storage facilities that encompass storage and welfare at Corwen depot. This will replace existing inadequate storage through partly sheeted stock piles which will in turn improve the safety of road users in Denbighshire, reduce environmental pollution, improve operational efficiencies whilst delivering cost savings and reducing wastage. This will also address the inadequate welfare facilities at the Corwen site.

The project recognises the need to improve the drainage systems and infrastructure of both Corwen and Ruthin depots in order to satisfy NRW concerns and ensure compliance.

- The project would foresee the following benefits achieved:
- Improved covered salt storage facilities thus mitigating the potential pollution risk into surface water courses.
  - Improved site drainage that meets current standards and legislation.
  - Consolidated and improved vehicle storage to accommodate compact sweepers and/or gang mowers along with a number of other types of equipment (Corwen only).
  - Additional staff welfare; 1 no Accessible WC shown within the proposed new storage unit, with a small kitchenette area for tea/coffee facility (Corwen only).
  - General storage for small plant and equipment (Corwen only).
  - Increased EV charging facilities for both council and private staff vehicles.

Plans and drawings of the proposals can be found in **Appendix G, Sections 1 and 2**

**Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:**

<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	
	Costs the same	<b>X</b>		Takes the same to deliver	<b>X</b>
	Costs less			Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality	<b>X</b>		No impact on benefits	<b>X</b>
	Is a lower quality			Worsens benefits	

**What is the main reason this option has not been selected?**

This is the preferred option as this meets the service requirements for storage of salt and equipment whilst also addressing the lack of welfare provision. These improvements will future proof this site for many years to come and mitigate against potential litigation on environmental grounds. This would also positively contribute to the council's commitment to the climate and ecological emergency through use of renewable technology.

In addition to providing staff with the appropriate accommodation and storage facilities, this option could reduce carbon omissions and reduce energy costs from lower fleet mileage and more energy efficient buildings. An Eco Build would serve as an exemplar for future DCC building projects and demonstrate our commitment to the Climate Emergency (options detailed within **Appendix I**).



The estimated cost of delivering this option would total £ 2,231,060.13. A detailed breakdown of these costs are shown in **Appendix J**.

<b>Option 3:</b>	<b>Explore the possibility of utilising the soon to be vacant waste transfer site in Ruthin as opposed to building a salt barn at the Lôn Parcwr salt storage site. As well as develop a salt barn at Corwen.</b>				
<b>Please provide brief details:</b>					
<p>Consider the use and redevelopment of the existing waste transfer site for the storage of all salt.</p> <p>Plans and drawings of these proposals can be found in <b>Appendix G, Sections 2 and 3</b></p>					
<b>Please mark with an X how this option compares with the preferred option in terms of Cost, Time, Quality and Benefits:</b>					
<b>Costs</b>	Costs more		<b>Time</b>	Takes longer to deliver	<b>X</b>
	Costs the same			Takes the same to deliver	
	Costs less	<b>X</b>		Is quicker to deliver	
<b>Quality</b>	Improves the quality		<b>Benefits</b>	Improves benefits	
	Is the same quality			No impact on benefits	
	Is a lower quality	<b>X</b>		Worsens benefits	<b>X</b>
<b>What is the main reason this option has not been selected?</b>					
<p>There are significant concerns in respect of limited storage capacity which would effectively mean that we could only store half of the salt on site which would limit resilience, this would not meet Welsh Government requirements for salt storage. Furthermore, this site may not be available until September 2025 at the earliest, which would effectively result in further non-compliance until such time which obviously places the council's Winter Maintenance service at risk. Further concerns have also been expressed in terms of the existing permits in place for the use of the site going forward and permissions would still need to be sought from NRW and Welsh Water.</p> <p>In order to pursue this option this would involve the development of part of the old waste transfer site, which would involve seeking the necessary permits and extensive work may be required, which would make this option more expensive than the preferred option and not deliver the benefits required.</p>					

## EXPECTED BENEFITS

The benefits that the project will deliver expressed in measurable terms against the situation as it exists prior to the project. Remember to capture co-benefits (the added benefits we get from this action/project as well as the direct benefits it will realise).

Expected benefits from this project include:				
<b>Benefit</b>	<b>Description</b>	<b>Existing</b>	<b>Post Project</b>	<b>Variance</b>
Improved health, wellbeing and equality for Corwen site	Improved working and welfare conditions for staff and visitors	Sub-standard facilities	Fit for purpose facilities	
Reduced energy consumption and associated carbon	Improved efficiency along with the use of renewable technologies	Upgraded utility connections would be required for new buildings.	The site will be more energy self-sufficient with own supplies	Possible annual savings
Safer storage of materials to comply with current standards	Provision of new facilities for safe and adequate storage of salt	Current facilities are inadequate which limit resilience and leaves the council open to risk of prosecution and associated reputational damage to the authority.	Facilities which comply with current standards and legislation	
Safer storage of equipment at Corwen	Provision of new facilities for safe and adequate storage of supplies, vehicles and plant	Current facilities are inadequate which do not provide adequate storage leading to expensive equipment being stored outside which shortens their operational life	Facilities which comply with current standards and legislation	
Increased resilience for the Winter Maintenance service	Provision of additional storage capacity of salt.	Current facilities do not allow us to store the capacity recommended by Welsh Government	Increased capacity and resilience of Winter Maintenance service.	



## EXPECTED DIS-BENEFITS

Outcomes perceived as negative by one or more stakeholders

<p>Outcomes that could be perceived as negative by one or more stakeholders are as follows:</p> <ul style="list-style-type: none"> <li>• The new build may raise the possibility of objections from local residents although there are few properties in the vicinity.</li> <li>• Its anticipated that there will be disruption to the service during the construction phase, although other options are being considered to mitigate and minimise disruption during this period.</li> <li>• Facilities at Corwen will deteriorate further while the new build develops.</li> </ul>
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## TIMESCALE

Over which the project will run (summary of the Project Plan) and the period over which the benefits will be realised

Date	Milestone
July 2022	Business case to SIG
July/August 2022	Operational sign off of new design and proceed with detailed design
July/August 2022	Political sign off on Project Business Case
August/September 2022	Planning permission process
November 2022	Tendering exercise
January/February 2023	Demolition/removal of existing buildings
March/April 2023	Build new facilities
October 2023	New site operational

## CAPITAL COSTS – CONSTRUCTION PROJECTS

**COMPLETE ALL THREE TABLES BELOW FOR CONSTRUCTION PROJECTS  
LEAVE BLANK/DELETE SECTION FOR BUSINESS DEVELOPMENT PROJECTS**

*The capital cost of a project is an important consideration in terms of whether or not it should proceed.*

- Any costs relating to ICT infrastructure and equipment should have been provided by ICT department.
- Any costs that relate to construction should have been provided by Design & Development or Building Services.

Please provide details of any capital funding that has already been spent on the project:	
Enter details of cost element below:	Total
Feasibility (surveys, market research, etc.)	
Client side project management	
OTHER (please enter)	
OTHER (please enter)	
<b>TOTAL</b>	

Please provide details of the capital funding requirement (not including amount already spent):				
Enter details of cost element below:	Ruthin	Corwen	Future Years	All Years Total
Feasibility (surveys, market research, etc.)	By client	By client		N/A
Client side project management	By client	By client		N/A
Reposition areas of existing exposed salt piles, site clearance ,remove concrete waste block storage area and remove existing site storage containers	£25,772.50	£7,500.00		£33,272.50
Construction of new build , salt store	£846,424.73	£574,077.50		£1,420,502.23
Photo voltaic array, linked to battery storage - to be sized by specialist (21m2 allowed at present)	£8,108.10	£4,331.25		£12,439.35
Allow for all dilapidation surveys to surrounding area	£500.00	£500.00		£1,000.00
Direction signage	£500.00	£500.00		£1,000.00
Site preparation , hardstanding's and kerbing Drainage provision to the new building and the site hardstanding's .Includes an allowance for a	£78,300.00	£87,380.00		£165,680.00
underground storage tank for waste water	£35,901.65	£44,662.50		£80,564.15
Private external lighting columns	£4,000.00	£4,000.00		£ 8,000.00
Soft landscaping	£250.00	£500.00		£750.00
Allowance for incoming services	£3,465.00	£3,465.00		£6,930.00
Proposed weigh bridge , surface mounted	£32,500.00	N/A		£32,500.00

Planning/Building Regulation Costs (Estimate)	By client	By client		N/A
Project/design team fees (F) 12.0% (5.5% Architect, 2.50% QS, 1.00% M&E , Structural 1.00%,COW 1.00% CDMC 1.00%)	£ 126,840.80	£ 100,433.94		£227,274.74
Legal Costs and Fees	By client	By client		N/A
Preliminaries	£21,284.66	£17,038.86		£38,323.52
Contingency (10.00%)	£118,384.74	£84,438.91		£202,823.65
<b>TOTAL</b>	<b>£1,302,232.17</b>	<b>£ 928,827.96</b>		<b>£2,231,060.13</b>

Please provide details of proposed capital funding sources					
Enter details of funding source	Status:	Ruthin	Corwen	Future Years	TOTAL
Strategic Capital Funding	tbc	£1,302,232.17	£ 928,827.96		£2,231,060.13
<b>TOTAL</b>		<b>£1,302,232.17</b>	<b>£ 928,827.96</b>		<b>£2,231,060.13</b>

## REVENUE COST IMPACT

### TO BE COMPLETED FOR ALL PROJECTS

*In considering whether a project should be developed due regard should be made to the potential impact on revenue budgets.*

If the activity will result in a requirement for additional revenue funding, please provide details below:			
What is the impact of this project in terms of the <u>annual</u> revenue requirement for:	Existing Revenue Budget	Post-project Revenue Budget	Increase/ Decrease
staff costs (salaries and associated)	No change	No change	No change
energy costs (heating, lighting, ICT, etc.)	2,959.08		
property maintenance and servicing costs	176	Reduction in maintenance costs	
other property related costs (rental, insurance, etc.)	30	No change	No change
ongoing ICT costs (licences, etc.)	No change	No change	Same
mileage of Denbighshire fleet vehicles	No change	Decrease	Same

<b>mileage for business travel by Denbighshire employees using their personal vehicles</b>	No change	Decrease	Same
<b>OTHER (please enter)</b>	No change	No change	Same
<b>OTHER (please enter)</b>	No change		
<b>OVERALL REVENUE REQUIREMENT</b>	No change		

Please provide brief details of the revenue impact of this project:

- Where revenue savings are forecast, you should detail what is proposed for the saving (e.g. reduction of an existing revenue budget, re-allocation of revenue to alternative services area, etc.)
- Where revenue increases are forecast, you should provide details of how the revenue shortfall will be addressed. In this instance you should also append a three year surplus/deficit forecast.
- Details of any one-off revenue cost requirements that may be required post-project implementation (e.g. recruitment, redundancies, etc.). DO NOT include any costs detailed in the capital section of this Business Case

## WHOLE LIFE COST

**NOTE: THIS SECTION IS CURRENTLY IN DEVELOPMENT AND FURTHER GUIDANCE ISSUED IN DUE COURSE. OFFICERS DO NOT NEED TO COMPLETE THIS SECTION AT THIS STAGE UNLESS THEY HAVE UNDERTAKEN A WHOLE LIFE COSTING EXERCISE ALREADY INDEPENDENTLY WITHIN THEIR PROJECT.**

Please provide brief details of the whole life cost impact of this project over a 20-year period. This should be completed for the preferred business option as well as for the environmentally enhanced business option if it is not selected as the preferred option:

- [guidance to follow]
- [guidance to follow]

- *[guidance to follow]*

## **PROJECT MANAGEMENT**

*Please provide details of proposed project management – Establishment of Project Board etc.*

- Project Board to be established which includes:-
    - Tony Ward Project Sponsor, DCC
    - Cllr Barry Mellor - Lead Member, DCC
    - Andy Clark and Jon Chapman - Senior User Representatives, DCC
    - Design and Construction - Design Team
  - Project Team to be established once approval has been granted to proceed
  - Internal Project to report to Programme Boards (subject to confirmation)
  - Internal Project Manager to be supplied by D&C

## **STATUTORY REQUIREMENTS / HEALTH & SAFETY**

*This section should identify how the activity will help Denbighshire meet any of its statutory requirements. Please include any Health & Safety Issues that the activity will address in this section. Please leave blank if not applicable.*

This project enables the Council to meet its statutory obligations relating to:

The architects are designing out health and safety risk from the outset, for example in terms of:

- site strategy for segregating vehicle (public & service) and pedestrian access
- allowing for maintenance/emergency access and accessible provision
- considering site levels, flood risk
- outline specification in terms of buildability and headline technical requirements
- Allowances in area schedule for circulation, servicing and maintenance; etc.

## CARBON MANAGEMENT IMPACT

Please consult with Council's Principal Energy Manager ([robert.jones@denbighshire.gov.uk](mailto:robert.jones@denbighshire.gov.uk)) and the Council's Climate and Ecological Change Programme Manager ([helen.vaughan-evans@denbighshire.gov.uk](mailto:helen.vaughan-evans@denbighshire.gov.uk)) before completing this section.

Denbighshire has committed to reducing its carbon emissions from buildings and fleet by at least 15% by 2022, for the Council to be net carbon zero by 2030 (buildings, fleet, waste, business travel, staff commuting, street lighting) and for the Council to reduce its supply chain emissions by 35% by 2030.

The Business Case requires you to make a forecast for the anticipated carbon emissions impact of the project.

Annual Forecasts:	Annual (current)	Carbon (kgCO2e)	Annual (Post Project)	Carbon (kgCO2e)	Carbon Variance	Comments
Money spent on external goods and services (UNIT= £)	n/a		n/a			
Energy consumption in buildings: (UNIT = kWh)	110,000		Uncertain but likely to be neutral			Whilst the project is increasing the physical areas of accommodation it is assumed it will be replacing accommodation which is not fit for purpose and highly energy inefficient thus on balance result in neutral impact KWH and Carbon wise.
Energy consumption in Street Lighting: (UNIT = kWh)	n/a		n/a			
Fuel consumption of Denbighshire Fleet vehicles: (UNIT = litres/ kWh)	n/a		n/a			
Mileage of Business Travel (personal vehicles): (UNIT = miles travelled)	n/a		n/a			
Mileage of Staff Commute: (UNIT = miles travelled)	n/a		n/a			



<b>Tonnes of waste produced: (UNIT = tonnes)</b>	n/a		n/a			
<b>One off Forecasts:</b>			<b>Project cost (£)</b>	<b>Carbon (kgCO2e)</b>		<b>Comments</b>
<b>Money spent on external goods and services (UNIT= £)</b>			£1,964,464	726,851		Capital spend on construction multiplied by emission factor of 0.37 (construction)
<b>TOTAL CARBON EMISSIONS</b>						

<b>Annual Forecasts:</b>	<b>Current</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Post Project</b>	<b>Carbon Absorption (kgCO2e)</b>	<b>Carbon Absorption Variance</b>	<b>Comments</b>
<b>Hectare of Grassland (UNIT=ha)</b>	n/a		n/a			
<b>Hectares of Forestland (UNIT=ha)</b>	n/a		n/a			
<b>TOTAL CARBON ABSORPTION</b>						

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become net carbon zero by 2030 (reducing carbon emissions and increasing carbon absorption).*

<b>Net Carbon Zero Council Summary</b>	HELPS	HINDERS	NEUTRAL
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*Please provide brief details of the carbon impact of this project, and detail specific actions that will be taken to reduce carbon emissions. If carbon emissions are expected to increase as a result of this project, please provide details of proposed actions to compensate for this increase in other areas of the Service's activity and/or via tree planting/land management for the benefit of carbon sequestration.*

**Climate Change Lead Officer statement:**

*Please provide a statement from the Climate Change Lead Officer. Contact Helen Vaughan-Evans on [climatechange@denbighshire.gov.uk](mailto:climatechange@denbighshire.gov.uk).*

The preferred option (option 2) of installation of salt barns at Corwen and Lôn Parcwr depots as well as the construction of improved welfare and storage facilities at Corwen depot could help the Council meet its goal to become Net Carbon Zero by 2030. By adopting a higher energy efficient design option, the development will have reduced water and energy consumption and therefore reduced carbon emissions. This is likely to provide operational cost savings. It could also serve as an exemplar for future DCC building projects and emphasise the Council's commitment to the Climate Emergency.

The electricity supply to the site has recently been upgraded as part of the corporate electric vehicle project, together with the installation of a rapid EV charger. The location of these, and how they are used e.g. lorry turning circle to park at EV charger, will need to be taken into account in the design of the site layout.

However, DCC's Climate and Ecological Change Strategy has a 'plus' target for reducing carbon from its supply chain by 35% by 2030. The construction of these buildings and site development is predicted to produce 727 tonnes CO<sub>2</sub>e via the supply chain. Therefore, every effort should be taken within the procurement activity of this spend to specify the works for the benefit of low carbon (e.g. via the use of lower spend lots to open the field to local SME's), to assess the bids from a low carbon consideration (e.g. including quality criteria questions with a scoring weighting) and monitor carbon emission performance of the chosen contractor (e.g. through contract management, provision of data).

To help reduce carbon emissions, the project designer(s) should be aware of the minimum standard for new build and refurbishments based on carbon in operation and embodied carbon which was passed by Cabinet in December. Papers/info here (agenda item 8):

<https://moderngov.denbighshire.gov.uk/ieListDocuments.aspx?CId=281&Mid=6276&LLL=0>

Any procurement over £25k should seek Community Benefits and I would encourage the project manager to focus their negotiations with the contractor around securing additional interventions for the benefit of low carbon, biodiversity improvements, carbon sequestration and/or climate and ecological change education/awareness.

The project manager should continue to engage with their Procurement Business Partner and the Community Benefits Hub (Karen Bellis) early in maximising on low carbon / carbon sequestration opportunities from the supply chain associated with this project.

**Supplied by:** Jane Hodgson      **Date:** 13 July 2022

## BIODIVERSITY IMPACT

Please consult with Denbighshire's Biodiversity Lead Officer before completing this section. Contact Joel Walley on [joel.walley@denbighshire.gov.uk](mailto:joel.walley@denbighshire.gov.uk).

The Council has a statutory duty to ensure compliance and enforcement of the Habitats Regulations (as amended in 2017). Furthermore, the Environment (Wales) Act, 2016 requires the Council to maintain and enhance biodiversity, and promote the resilience of ecosystems. At this pre-feasibility stage, please determine the anticipated impact of the project on biodiversity, and proposed measures to ensure the project results in an overall biodiversity enhancement.

Please mark a cross in the appropriate box.

<b>Will this project impact on a habitat that supports living organisms (plant or animal), or involve physical works to property or Land?</b>	<b>Yes</b>	x	<b>No</b>	
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If you have answered yes to the above question, please complete all the following biodiversity sections. If answered no, please leave blank

<b>IMPACTS ON BIODIVERSITY</b>	<b>Yes</b>		<b>No</b>	x
Has an ecological appraisal or survey of the site or proposals taken place?				
Cofnod eMapper Link:				
Please provide brief summary of survey findings, or provide a copy of the ecological report for review:				
N/A				

Please provide brief details of how the project will avoid harm to biodiversity.

- None proposed at this time

Please provide brief details of how the project will mitigate and compensate for any harm to biodiversity.

- None proposed at this time

Please provide brief details of how the project will enhance biodiversity and restore ecosystem resilience.

- None proposed at this time

*Please highlight the appropriate cell depending on whether on balance this project helps, hinders or is neutral to the Council's goal to become ecologically positive by 2030 (increasing the species richness of land).*

<b>Ecologically Positive Council Summary</b>	<b>HELPS</b>	<b>HINDERS</b>	<b>NEUTRAL</b>
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**Ecology Officer summary:**

*Please provide a statement from the Biodiversity Lead Officer. Contact Joel Walley on joel.walley@denbighshire.gov.uk.*

NRW reporting and investigation, has shown that the current setup is creating pollution to nearby watercourses, which is likely to be causing harm to wildlife. The proposals would stop this, and would likely result in a benefit to biodiversity.

At present, the site appears to be of low biodiversity value, with no apparent greenery or natural habitats present.

No on-site ecological avoidance, mitigation, compensation, or enhancement measures are proposed. With careful design, the scheme could be improved. Some of the following should be considered, in order to deliver a net benefit to biodiversity, as required under Planning Policy Wales 11, and in compliance with the Environment (Wales) Act, 2016 and Denbighshire County Council's Climate and Ecological Emergency Strategy.

- Green Roof on the new buildings
- Bat and Bird Boxes installed around the site and on new buildings.
- Tree Planting (within tree pits)
- Green Wall installation
- Raised planters, containing species with a known benefit to wildlife
- Offsite habitat creation and restoration in the local area.

Access to nature has been shown to improve well-being, and the inclusion of some of these things would likely be of benefit to the many staff using the site.

**Name:** Joel Walley                      **Date:** 05/07/2022

## MAJOR RISKS TO THE PROJECT

A summary of the key risks associated with the project together with the likely impact and plans should they occur is provided below:

Title	Inherent Risk	Mitigating Action	Residual Risk
Failure to secure capital funding for the build at Corwen and Lôn Parcwr.	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Potential legal prosecution to the Council on the grounds of non-compliance of current environmental standards	A1	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E1
Potential challenge to the Council on Health & Safety concerns	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Increase in material and build costs due to delay in gaining funding	A2	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2
Facilities deteriorate and leave both sites vulnerable for efficient operations	A1	<ul style="list-style-type: none"> <li>Seek necessary funding to continue with build to ensure compliance, without SIG funding the project cannot proceed</li> </ul>	E2

Likelihood	A - Almost Certain					
	B - Highly Likely					
	C - Probable					
	D - Possible					
	E - Rare					
		5 - Very Low	4 - Low	3 - Medium	2 - High	1 - Very High
		Impact				



## SUPPORTING INFORMATION

*Please list any supporting documents that accompany this Business Case*

Please find attached the following supporting documents:

Report: Salt Barn Installation at Lôn Parcwr Depot, Ruthin and Corwen Depot  
Appendix A - Wellbeing Impact Assessment  
Appendix B - AMG Report  
Appendix C - Risk Register entry  
Appendix D - Correspondence from NRW  
Appendix E - Salt lab test results  
Appendix F - Photos of Existing Conditions  
Appendix G - Proposals (Design/Layout)  
Appendix H - Salt storage report NWSRG  
Appendix I - Energy efficiency and savings assessment  
Appendix J - Capital Spend Breakdown  
Appendix K – NMWTRA Costs and Payments

## ANNUAL CAPITAL BIDS – BLOCK ALLOCATIONS

*Please provide details of expenditure and commitments for allocations received in the current financial year.*

N/A

## COUNTY LANDLORD STATEMENT

*Please provide a statement from the County Landlord and where applicable the recommendation of the Asset Management Group. Contact Tom Booty on [tom.booty@denbighshire.gov.uk](mailto:tom.booty@denbighshire.gov.uk).*

The proposals improve unsatisfactory accommodation and provide a long-term solution to address the various shortcomings of the existing facilities. Reducing the operational costs and environmental impact of the site(s) is in line with Council and National Policies and legislative requirements. The Council's policy of developing zero carbon buildings (in operation) will need to be applied where practical which will need to be factored in to any development of costs.

Supplied by: David Lorey, Lead Officer Corporate Property and Housing Stock  
Date: 28 June 2022

## CHIEF FINANCE OFFICER STATEMENT

*Please provide a statement from the Chief Finance Officer. Contact Steve Gadd on [steve.gadd@denbighshire.gov.uk](mailto:steve.gadd@denbighshire.gov.uk).*

As stated in the report there has yet to be a capital business case which can be considered prior to the release of funding. It is important that all bids for the capital funding available for allocation this financial year are judged on their relative merits and that will be done at a strategic level. This will avoid allocations based on need and priorities and not on a first come first serve basis. AMG support would be expected for such projects before consideration for funding.

**Supplied by: Steve Gadd Date: 14/07/2022**

**VERIFICATION:**

<b>Project Manager:</b>			
<b>Project Sponsor:</b>			
<b>Name:</b>		<b>Position:</b>	
<b>Signature:</b>		<b>Date:</b>	

**For use by Finance:**

<b>Result of S.I.G. Review</b>	
<b>Date of Meeting</b>	
<b>Approval</b>	
<b>Code</b>	

# **Appendix A**

## Wellbeing Impact Assessment



## **Provision of New Salt Storage Facilities in Lon Parcwr and Corwen Depots:**

### **Well-being Impact Assessment Report**

This report summarises the likely impact of the proposal on the social, economic, environmental and cultural well-being of Denbighshire, Wales and the world.

**Assessment Number:** 1060

**Brief description:** The proposal will be assessing the provision of bespoke salt storage facilities for the south of the county at Lon Parcwr and Corwen depots.

**Date Completed:** 10/06/2022 09:51:39 Version: 1

**Completed by:** Jon Chapman

**Responsible Service:** Highways & Environmental Services

**Localities affected by the proposal:** Dee Valley, Denbigh, Ruthin, Llangollen,

**Who will be affected by the proposal?** DCC winter maintenance operative and local residents.

**Was this impact assessment completed as a group?** No

## **Summary and Conclusion**

Before we look in detail at the contribution and impact of the proposal, it is important to consider how the proposal is applying the sustainable development principle. This means that we must act "in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs."

### **Score for the sustainability of the approach**

**3 out of 4 stars**

**Actual score : 28 / 36.**

### **Summary for each Sustainable Development principle**

#### **Long term**

The proposals for the salt storage facilities at the depots will have significant opportunities to provide measures which will contribute towards the authorities Climate Change Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot.

#### **Prevention**

The proposals for the salt storage facilities at the depots will have significant opportunities to provide measures which will contribute towards the authorities Climate Change Emergency targets. Measures such as rainwater capture, ground source heat pumps, green rooftops and the creation of additional wildflower areas on and around the site. These measures will ensure the future viability and sustainability of the depot.

#### **Integration**

The project will ensure the depots are future proofed and fit for purpose for decades to come. Another key factor in the requirement to implement this project is to address health & safety concerns with the current depots and ensure the requirements of current legislation are complied with.

## Collaboration

In order to successfully deliver this project in line with the proposals outlined input from a number of partners will be key. Green measures previously outlined will require input from the authorities Ecology team.

## Involvement

The workforce operating in both depots which this project will affect have been consulted and informed of developments and their feedback on the initial designs will be sought and taken into consideration.

## Summary of impact

Well-being Goals	Overall Impact
<a href="#">A prosperous Denbighshire</a>	Positive
<a href="#">A resilient Denbighshire</a>	Positive
<a href="#">A healthier Denbighshire</a>	Neutral
<a href="#">A more equal Denbighshire</a>	Neutral
<a href="#">A Denbighshire of cohesive communities</a>	Neutral
<a href="#">A Denbighshire of vibrant culture and thriving Welsh language</a>	Neutral
<a href="#">A globally responsible Denbighshire</a>	Neutral

## Main conclusions

Overall this project will contribute positively to the authorities climate emergency declaration by



## Provision of New Salt Storage Facilities in Lon Parcwr and Corwen Depots

ensuring new infrastructure is modern and fit for purpose which embraces the use of green technology.

## **The likely impact on Denbighshire, Wales and the world.**

### **A prosperous Denbighshire**

#### **Overall Impact**

Positive

#### **Justification for impact**

This project will secure the presence of an winter maintenance operational depots for Lon Parcwr and Corwen areas for generations to come, thus securing the ability to deliver an effective and efficient winter maintenance service in the short/medium and long term.

#### **Further actions required**

n/a

#### **Positive impacts identified:**

##### **A low carbon society**

Green technology will be a consideration in the development of the final proposals for this project

##### **Quality communications, infrastructure and transport**

This project will enhance the infrastructure in our existing depot making it fit for purpose

##### **Economic development**

The project secures the presence of an winter maintenance operations in Corwen and Lon Parcwr depots for generations to come which in turn will enhance and support the local economy

##### **Quality skills for the long term**

Securing the future of Corwen and Lon Parcwr depots as winter maintenance will enable the authority to continue to deliver winter maintenance operations in the south of the county.

##### **Quality jobs for the long term**

## Provision of New Salt Storage Facilities in Lon Parcwr and Corwen Depots

Securing the future of Corwen and Lon Parcwr depots as winter maintenance will enable the authority to continue to deliver winter maintenance operations in the south of the county.

### **Childcare**

n/a

### **Negative impacts identified:**

#### **A low carbon society**

n/a

#### **Quality communications, infrastructure and transport**

n/a

#### **Economic development**

n/a

#### **Quality skills for the long term**

n/a

#### **Quality jobs for the long term**

n/a

### **Childcare**

n/a

### **A resilient Denbighshire**

### **Overall Impact**

Positive

**Justification for impact**

Installation of green technology in the new building will reduce energy consumption and make a positive contribution to the council climate emergency agenda.

**Further actions required**

n/a

**Positive impacts identified:**

**Biodiversity and the natural environment**

Creation of a biodiversity areas in the vicinity will be considered as part of this project

**Biodiversity in the built environment**

The possibility of installing a living roof will be considered in the design proposals

**Reducing waste, reusing and recycling**

Rainwater harvesting technology will be considered.

**Reduced energy/fuel consumption**

PV panels and ground source heat pumps to be installed in new building

**People's awareness of the environment and biodiversity**

n/a

**Flood risk management**

Appropriate site drainage will be installed at the sites.

**Negative impacts identified:**

**Biodiversity and the natural environment**

n/a

**Biodiversity in the built environment**

n/a

**Reducing waste, reusing and recycling**

n/a

**Reduced energy/fuel consumption**

n/a

**People's awareness of the environment and biodiversity**

n/a

**Flood risk management**

n/a

**A healthier Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**A social and physical environment that encourage and support health and well-being**

n/a

**Access to good quality, healthy food**

n/a

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**Negative impacts identified:**

**A social and physical environment that encourage and support health and well-being**

n/a

**Access to good quality, healthy food**

n/a

**People's emotional and mental well-being**

n/a

**Access to healthcare**

n/a

**Participation in leisure opportunities**

n/a

**A more equal Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**Negative impacts identified:**

**Improving the well-being of people with protected characteristics. The nine protected characteristics are: age; disability; gender reassignment; marriage or civil partnership; pregnancy and maternity; race; religion or belief; sex; and sexual orientation**

n/a

**People who suffer discrimination or disadvantage**

n/a

**People affected by socio-economic disadvantage and unequal outcomes**

n/a

**Areas affected by socio-economic disadvantage**

n/a

**A Denbighshire of cohesive communities**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Safe communities and individuals**

n/a



**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

**Negative impacts identified:**

**Safe communities and individuals**

n/a

**Community participation and resilience**

n/a

**The attractiveness of the area**

n/a

**Connected communities**

n/a

**Rural resilience**

n/a

## **A Denbighshire of vibrant culture and thriving Welsh language**

### **Overall Impact**

Neutral

### **Justification for impact**

All site signage will be bi-lingual as per DCC Welsh Language Policy helping to promote the use of the Welsh Language

### **Further actions required**

n/a

### **Positive impacts identified:**

#### **People using Welsh**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Promoting the Welsh language**

All site signage will be bi-lingual as per DCC Welsh Language Policy

#### **Culture and heritage**

n/a

### **Negative impacts identified:**

#### **People using Welsh**

n/a

#### **Promoting the Welsh language**

n/a

**Culture and heritage**

n/a

**A globally responsible Denbighshire**

**Overall Impact**

Neutral

**Justification for impact**

n/a

**Further actions required**

n/a

**Positive impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a

**Negative impacts identified:**

**Local, national, international supply chains**

n/a

**Human rights**

n/a

**Broader service provision in the local area or the region**

n/a

**Reducing climate change**

n/a