



New burden assessment pro forma

In advance of discussions with others, or as part of these discussions, the lead department should complete the pro forma below (this can be tailored to the specific policy where appropriate but should cover the same information).

As highlighted in the guidance, these issues should be discussed with Communities and Local Government at the earliest possible stage, and the pro forma can be revised as the assessment is taken forward. The signed off pro forma should be sent to Communities and Local Government.

If this is a first assessment, departments must complete those fields in bold to provide a sufficient level of reassurance that the requirements of the Cabinet are being met. The remaining fields must then be completed when policy is more developed. Section 20 requires departments to state when a full assessment will be completed.

Details of the proposal – please answer in area provided below question	
Q1	Name of Lead Department.
A1	Commercial Agreements (HS2)
Q2	Working level contact details in lead department.
A2	Name: [REDACTED] Team: Commercial Agreements Telephone: [REDACTED] E-mail: [REDACTED]
Q3	Name of policy/duty/expectation.
A3	Reimbursement of additional costs of fulfilling statutory LA home to school bus service obligations arising during HS2 utility works taking place outside of Act limits of deviation (LOD).
Q4	Description of the policy objective.
A4	Reimbursement of agreed minimum additional costs associated with the above, where it is not feasible to fully mitigate the impacts.

Q5	Stage proposal is at (e.g. initial draft, consultation document, Cabinet clearance, etc.). If first draft, please state when update will be submitted.
A5	Completed
Q6	Brief expected timeline of the forthcoming key stages, including committee clearance.
A6	Ground Investigation/initial trial trench works resulting in the closure of the B4552 between Harbury and Ufton from 21st January 2019 to 15th February 2019 inclusive, impacting 20 school days
Q7	What the proposal requires local authorities to do, and how this differs from what they are doing now. If there is no difference, why is the new power/duty/expectation being made?
A7	<p>Warwickshire County Council (WCC) provides school bus services to two secondary schools using the same four vehicles, by way of a 'double run': firstly taking students from various location to Kineton High School, then taking students to Southam School.</p> <p>HS2 and WCC met to review the diversion routes and options, including using Deppers Bridge Rail bridge, however it was confirmed that introducing new timetables and delivery of separate school services using four additional vehicles for the duration of the B4552 closure, was the only safe way to provide the school services, during the winter months.</p> <p>In addition, during the first week of the works, WCC flagged concerns with two other school vehicles that had originally been expected to be affected minimally by the diversions. Whilst there was no cost to resolve the issues with the Service 363, which operated 15 minutes earlier from Southam to account for the delays, the adjustments required to Service 235 added an additional cost of £54 per day, for the remaining 15 days of the works. This cost related to an extension of the service, so that it started in Rugby and operated 5-10 minutes earlier across the entire route.</p> <p>The adjustments required to be made to school services will be agreed by discussion between HS2 Traffic Management and WCC Bus Services Manager, once the dates and duration of the second stage of these TBM utility works are known.</p>
Q8	Expected date the policy impacts on local authorities. If implementation is to be phased in, please give estimated dates for each phase.
A8	20 school days of home to school transport diversion 21st January 2019 to 15th February 2019.
Q9	Is an impact assessment being completed? If this shows that the policy impacts on the private sector in the same way with no disproportionate impact on local authorities, contact the Communities and Local Government

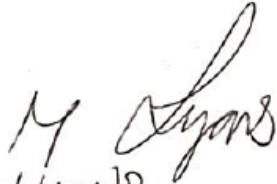
	New Burdens Team to confirm that the new burdens rules do not apply in this case - this does not mean there are no local government finance matters that might need to be addressed.
A9	<p>The impact of these utility works will lead to road closures and diversion. These works were not included in the Environmental Statement (ES) and could not have been foreseen by WCC.</p> <p>We have assessed the financial impact of these utility works on WCC budget and reached a conclusion that whilst these works will impact both the local authority and the general public, we now know that WCC will be impacted disproportionately due to the increased cost of maintaining provision of statutory school bus services.</p> <p>This new burden application relates only to the additional costs reasonably incurred by the LA to maintain provision of equivalent home to school bus services impacted by and during HS2 works outside of Act limits.</p>
Estimated costs/savings	
Q10	Has the proposal been appraised in accordance with HM Treasury <i>Green Book</i> principles? What was the outcome of the appraisal?
A10	N/A
Q11	Best estimate of reasonable costs and savings involved for local authorities for each individual year. Please give breakdown <u>by financial year</u> and state whether costs are revenue or capital.
(a)	Overall <u>additional</u> total costs to local authorities for each year.
A(a)	<p>£21,830, based on 4 weeks of full road closure, during 2019.</p> <p>This equals the net difference in cost incurred by WCC due to the diversion required by HS2.</p>
i.	Element attributable to 'one off' implementation costs.
A(i)	£21,830 - costs associated with hire of vehicles, minor additional service extensions and 5% Warwickshire service fee.
ii.	Recurring costs element (for the first 3 years).
A(ii)	Where Planning Permission is required, WCC has specified that a bilateral legal agreement is required with HS2 Ltd to enable future reimbursement, beyond the initial payment of £21,830.
(b)	Estimated specific and identified <u>savings</u> for each year - these must be additional to the annual savings authorities are expected to make and their treatment consistent with the appropriate HM Treasury guidance on efficiency.

A(b)	N/A
(c)	What are the direct and indirect impacts on local authorities pay and pensions costs?
A(c)	N/A
(d)	Overall estimate of the <u>Net</u> Additional Cost (costs-savings) to local authorities for each year.
A(d)	Estimated at £22k total cost to WCC in FY 2019/20.
Discussion with authorities	
Q12	What discussions have taken place with local authority associations, e.g. with the LGA or LC? If there is no planned contact with local authorities through representative bodies, please explain why.
A12	<p>██████████, HS2 Interface lead has engaged proactively with WCC.</p> <p>██████████, Warwickshire's HS2-Transport & Highways Coordinator has been our key point of contact, supported by ██████████, Warwickshire Bus Services Manager. HS2 engagement has been via Traffic Liaison Group meetings, a meeting with ██████████ on 16th January 2019, and a follow up meeting between HS2 Traffic Management team and Warwickshire Bus Manager, multiple emails and phone calls.</p>
Q13	Give a brief description of the authorities' views, particularly on costs and financing (note: there is no obligation to agree final finance assessments with them).
A13	<p>Warwickshire's view is that as they operate four home to school transport contracts that will be seriously affected whenever the road is closed between Harbury and Ufton and a diversion is in place or significant delays created by traffic management.</p> <p>The impacts are particularly challenging to mitigate due to the tightness of the bus timetables — necessary as each bus operates a 'double run', firstly taking students from various locations to Kineton High School and then taking students to Southam School from Bishops Itchington and Harbury. As a result of the diversions, it is impossible to deliver 'double runs' and Warwickshire requires four additional peak vehicles to operate the runs separately.</p>
Providing the resources	
Q14	If there are net additional costs, has the lead department identified where the funding for this new burden is coming from and agreed to fully fund them? Please give details.
A14	The net additional unbudgeted costs have been estimated as above and endorsed by HS2 Area North, through Investment and Change Panel, on 11 th February 2019.

	To be funded from TPA's Undistributed and future costs deemed to be allowed for in BL7.
Q15	What costing evidence/analysis do you have/are you going to undertake to demonstrate that the funding is sufficient, and when will you be providing this?
A15	<p>Warwickshire competitively tendered the additional cost of addition bus hire over a 2 week period up to the 20/11/2018. The best price secured was £249/bus per day. The B4451 road closure required 4 additional buses to be hired to provide school services for a period of 20 days = £999 per day x 20 = £19980.</p> <p>We are advised that the HS2 trial trench works also resulted in delays beyond expectation to other school buses, resulting in issues with another bus, the 235 service. Extension to the 235 service was costed at £54 per day x 15 days = £810 (only 15 days as the service extension started late).</p> <p>Warwickshire proposed a 5% administration fee = £1040.</p>
Q16	If costs are to be met by charging, do these cover the full net additional costs, and do authorities have the freedom to determine the fee levels consistent with recovering reasonable costs?
A16	Warwickshire's business case is based upon a 5% WCC administration fee to cover pre works, meetings, tendering bus service, liaison with transport suppliers and schools, responding to queries, etc.
Q17	If your assessment is that the proposal will result in no additional costs being placed on local authorities, how will you ensure that this is the case?
A17	N/A
MHCLG New Burdens Team Sign Off	
Q18	Have you shared your assessment with the New Burdens Team?
A18	Yes. This has been reviewed and commented on by [REDACTED] on 28th March 2019
Departmental Finance Director Sign Off	
Q19	Please state if this is a first or a final assessment of your proposal. If first please indicate when a final assessment will be submitted.
A19	Final assessment.
Certification that the estimated net additional costs falling on local authorities has been assessed in accordance with the guidance on new burdens and that this will be fully funded. That to the best of finance director's knowledge the estimates are a	

true and fair assessment of the net additional costs falling on authorities.
Confirmation that their department is aware that if the proposed policy or initiative is implemented, there may be an independent post-implementation scrutiny carried out (paid for from within their department's existing resources) and that under or over-payments of grant revealed by the scrutiny may inform future decisions on funding.

Signed:



Name:

M. LYONS

Date:

24/04/19

Telephone number:



Address:

Please send the form to the relevant Communities and Local Government contact.

For completion by the DCLG New Burdens Team:

Date received: 26 April 2019

Reference number: NBA: 2019/20:03