

**REPORT OF THE CABINET MEMBER FOR ECONOMIC DEVELOPMENT AND
ASSET MANAGEMENT****HIGHWAY AND FLEET SERVICE DEPOTS CAPITAL IMPROVEMENTS****Purpose of the Report**

1. To seek Cabinet approval for £4.680m of capital improvement works across highway and fleet service depot sites, including the demolition of several life-expired buildings and the construction of new modular buildings, with £3.48m of the funding provided through a loan from the Council.
2. This is a Key Decision because it will result in expenditure of over £1 million.

Background

3. Highway and fleet services across Nottinghamshire are provided by Via East Midlands Ltd, operating from eight depots and Trent Bridge House
4. Three depots - Gamston, Stephenson Way, and Blyth - require significant investment to replace derelict buildings or those posing security, safety, and welfare risks. Additionally, further investment is needed to establish a new depot in West Nottinghamshire following Ashfield District Council's request for Via to vacate the shared depot in Sutton-in-Ashfield.
5. It has been crucial to evaluate improvements to existing depots and plans for future facilities within the broader context of County Council service delivery requirements and Local Government Reorganisation. These proposals have carefully considered all available details of both Via/County Council sites and those operated by District and Borough Councils, including their location, access, utilisation, capacity, and the services they provide. It is clear that these improvements are essential, regardless of any future changes to the local government structure, and they fully support the anticipated growth in service delivery as Via operates within the expanding framework of the East Midlands Combined County Authority.
6. Via East Midlands Ltd's contract with the County Council runs until July 2031. Under this agreement, the Council is responsible for providing and maintaining the depots and offices required for service delivery. However, aside from limited maintenance, the Council has made limited investment in depot facilities since 2012, when the number of depots countywide was consolidated around the central Bilsthorpe Depot.
7. There is now a need for investment in these depot sites to support the continued delivery of local services.

Information

8. The County Council has a statutory duty to deliver Highway Services, which are provided through its wholly owned subsidiary, Via East Midlands Ltd.
9. Several depots have now deteriorated to the point where buildings on site, determined by the Council as past the end of their life, are beyond economic repair, making further maintenance an inefficient use of resources.
10. To sustain core service delivery, build on recent service improvements, support an expanding scope of works, and taking a forward view on Local Government Reorganisation, investment in these facilities is essential.
11. A detailed assessment has been undertaken regarding the location of highway depots in relation to service delivery areas, Nottinghamshire's geography, and the existing depots of the Council, Via, and District/Borough councils. The proposed investments in the following depots have been carefully evaluated against potential service and Local Government changes to ensure they represent a sound long-term investment that will not be undermined by future developments.
 - **Blyth Depot:** As Via's northernmost operational base, Blyth Depot is strategically located on key transport routes (A1 and A614). While it has limited capacity for service expansion, it is situated just four miles from Bassetlaw District Council's Carlton Forest Depot, which provides operational and environmental services, including vehicle maintenance. This proximity presents opportunities for collaborative support to strengthen Via's northern operations.
 - **Stephenson Way:** As Via's easternmost base, Stephenson Way Depot is strategically positioned to support winter service delivery on key transport routes (A1, A46, and A17). It is located just half a mile from Newark & Sherwood District Council's Brunel Drive Depot, which, like Blyth / Carlton Forest, provides services that could complement Via's operational needs. While both depots have limited capacity for expansion or colocation, their close proximity offers opportunities for enhanced collaboration.
 - **Gamston Depot:** As Via's southernmost and second-largest depot, Gamston Depot is strategically positioned on the A52 and A6011 to support service delivery across southern Nottinghamshire. Owned by the County Council, the depot, subject to the proposed improvements, could be developed to accommodate additional Council services, such as public transport operations and potentially support a nearby household waste site. In the context of Local Government Reorganisation, Rushcliffe Borough Council operates a small depot in Bingham, seven miles to the east, for its environmental services and also shares depot space and vehicle maintenance services with Nottingham City Council at Eastcroft Depot, 2.5 miles away. Gamston Depot remains a key operational hub, both now and in the future.

Finance Implications

12. **Gamston Depot** – the demolition of several life-expired buildings and the construction of a two-story modular building for office and welfare requirements and two steel-frame buildings for material storage and workshop facilities over 42 weeks.

Latest estimated cost at Q4 2024-2025 £3.36m.

13. **Stephenson Way, Newark, Depot** – the demolition, removal and replacement of a modular unit comprising of offices, meeting, and welfare facilities over 16 weeks.

Latest estimated cost at Q2 2024-2025 £1.08m.

14. **Blyth Depot** – the demolition, removal and replacement of a modular office / toilet building over 4 weeks.

Latest estimated cost at Q2 2024-2025 £0.14m.

15. **West Depot Impact** - initial cost of transferring services to Bilsthorpe. Site changes necessary to accommodate increased staff and equipment.

Latest estimated cost at £0.1m.

16. The overall cost of the project is estimated at £4.680m.

17. It is proposed that the County Council provide £3.5m of the overall project costs phased as shown below in the form of a loan to VIA and repaid over future years. The remaining £1.2m will be funded directly by VIA.

£000	2025-2026	2026-2027	2027-2028	Total
Capital Funding Source:				
Additional NCC Resources	2,950	1,630	100	4,680
<i>1 Gamston Depot</i>	<i>1,630</i>	<i>1,630</i>	<i>100</i>	<i>3,360</i>
<i>2 Stephenson Way Depot</i>	<i>1,080</i>			<i>1,080</i>
<i>3 Blyth Depot</i>	<i>140</i>			<i>140</i>
<i>4 West Depot Impact</i>	<i>100</i>			<i>100</i>
Via Provided Funding	1,200			1,200
Total	1,750	1,630	100	3,480

18. The three main depot projects have been costed using competitive quotations for the modular buildings, ensuring market-tested value for money. Other elements, including groundworks, external works, and utilities, have been benchmarked against rates achieved on recent projects and validated against industry standards such as BCIS and SPONS. This combined approach confirms that the overall budgets are realistic and competitive, providing assurance that the projects offer value for money.

19. The three depots requiring investment have received ad-hoc maintenance from both Via and the County Council for many years. Replacing the affected buildings will reduce the current maintenance backlog and ongoing costs, benefiting both the County Council and Via by lowering maintenance and operational expenditure.

Risk Management

20. The deteriorating condition of buildings at Gamston, Stephenson Way, and Blyth presents a growing risk to staff safety and welfare, as well as to the continuity of service delivery from these sites.

Other Options Considered

21. **Option 1 Do Nothing** – As detailed above, several depots have now deteriorated to the point where buildings on site are past the end of their life, are beyond economic repair, making further maintenance an inefficient use of resources. Therefore, this option is not recommended.

22. **Option 2 Await Outcome of the Local Government Re-organisation** – As detailed above, there is an immediate need for investment in these sites to support the continued delivery of local services. As also detailed, the proposed investments have been carefully evaluated against potential service and Local Government changes to ensure they represent a sound long-term investment that will not be undermined by future developments. As these works are now an immediate need this option is not recommended.

Reasons for Recommendations

23. The buildings at Gamston, Blyth, and Stephenson Way have reached a critical state, with some already closed and others facing imminent closure. Without investment, this will lead to increased costs, either through the need for temporary hired buildings or, where space constraints prevent this, the further relocation of services to out-of-area sites.

24. Investing in highway depots is essential to maintaining effective service delivery, regardless of future service models. A strategic approach to depot locations ensuring countywide coverage within short travel times - and providing safe, modern facilities for employees, visitors, and operational activities is fundamental to sustaining high-quality services for Nottinghamshire's communities and road users.

25. Investing in the three Via / County Council highway depots at this stage, before detailed planning for property and operational service delivery requirements linked to Local Government Reorganisation, helps mitigate uncertainty, risk, and future workload. Delaying these improvements would only add complexity and risk in the years ahead.

Statutory and Policy Implications

26. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

27. The delivery of highway services is a statutory duty of the County Council. As outlined in the Nottinghamshire Plan, these services play a crucial role in supporting the County Council's ambitions, both directly and indirectly.

RECOMMENDATIONS

- 1) That Cabinet approves the proposed capital investment works, including the demolition of several life-expired buildings and the construction of new modular buildings, with £3.48m of the funding provided through a loan from the Council.
- 2) That the Section 151 Officer in conjunction with the Executive Director of Place (or his nominee) agrees the terms and conditions of the loan agreement to Via East Midlands Ltd.

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Cabinet Member for Economic Development and Asset Management

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Constitutional Comments (SSR 28/08/2025)

28. The recommendations fall within the terms of reference for matter that may be approved by Cabinet. In accordance with the Council's Financial Regulations all proposals for loans, or financial support should be accompanied by an appropriate risk assessment and must be approved by the Section 151 Officer. Due consideration needs to be given to subsidy control implications under the Subsidy Control Act 2022 and legal advice sought prior to the Council entering into any such funding arrangement with Via.

Financial Comments (GBM 28/08/25)

29. At a meeting held on 21 February 2025, the Corporate Asset Management Group supported this request for capital funding. The overall project costs total £4.7m with £1.2m funding initially being provided by VIA with the remaining £3.5m to be funded from capital allocations in the first instance and then repaid by VIA over future years. The impacts of Local Government Reorganisation are covered within the content of the Report.

Background Papers and Published Documents

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

- None.

Electoral Division(s) and Member(s) Affected

- All