

Appendix A: Kirklees Lane Rental Scheme Cost Benefit Analysis Summary

Kirklees Lane Rental Scheme – Cost Benefit Analysis

EXECUTIVE SUMMARY

Kirklees Council is a major investor of public resources and as such, should ensure that new developments or services make a positive contribution to the local economy and society.

Any new proposal should always answer these two basic questions:

- What are the specific outcomes sought?
- Will these outcomes deliver a positive benefit to the local economy and society?

A Cost Benefit Analysis (CBA) is a decision-making tool that helps provide assurance around these questions by quantifying all costs and benefits in monetary terms.

Kirklees Council's Highways Team has been working on just such a new service and this CBA supports its introduction by demonstrating the positive financial outcome delivering its objectives will provide.

Minimising disruption is a key transport challenge for any Council and especially for a busy area like Kirklees.

The ability of people and goods to move freely around the highway network, meeting the needs of business, accessing essential services and for social and leisure purposes depends largely on the highway network operating effectively.

The proposed Kirklees Lane Rental Scheme tackles head-on one the major causes of disruption, developer, road and street works, collectively known as activities, in a robust and positive way and is a major opportunity to positively reduce disruption on the highway network.

The proposed Kirklees Lane Rental Scheme is designed to reduce the busy period volume and durations of activities and generally reduce the amount of activities undertaken at traffic-sensitive times by introducing a new Lane Rental Daily Charge.

The new Lane Rental Scheme is not intended to prevent activities necessary for the maintenance or improvement of the road network or the services running underneath it.

It is designed to introduce financial incentives to work at less disruptive times and more efficiently, completing works faster and delivering network operational effectiveness improvements.

Summary findings of the Kirklees Lane Rental Scheme Cost Benefit Analysis

Values based on 25 Year Operation of the proposed Scheme (2010 prices)

Value of benefits to economy and society	£33,494,983
Set-up and operating costs	£14,802,026
Financial benefit to the local economy from introducing the Scheme	£18,692,958
Benefit to Cost Ratio	2.26