

Report to the Cabinet

Meeting to be held on Thursday, 11 July 2019

Report of the Head of Service - Policy Information and Commissioning

Part I

Electoral Divisions affected:
(All Divisions);

Proposed Amendments to the Highways Capital Programme (Appendix 'A' refers)

Contact for further information:

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Executive Summary

As part of the normal process of service delivery, the approved highways capital programme now requires certain amendments in order to meet emerging priorities and to respond to some unanticipated service demands. Cabinet is asked to approve the proposed amendments set out at Appendix 'A'.

This is deemed to be a Key Decision and the provisions of Standing Order C19 have been complied with.

Recommendation

Cabinet is asked to:

- (i) Approve that the Pothole Action and Flood Resilience allocation of £1.242m be added to the highways block of the capital programme.
- (ii) Approve the proposed amendments to the highways capital programme as outlined at Appendix 'A'.
- (iii) Subject to (ii) above, approve that the Head of Service - Asset Management be authorised to determine the programme for the remaining Pothole Action and Flood Resilience Flood allocation in consultation with the Deputy Leader of the County Council and Cabinet Member for Highways and Transport.

Background and Advice

The highways capital programme is developed 12 months in advance of the year in which it is delivered. The 2019-20 capital programme was developed during 2018-19

and approved by Cabinet in spring 2019. This process ensures that a programme of approximately £23m is deliverable each year.

A number of emerging issues relating to the highway network have recently been identified, the total value of which is £1.87m. These issues, together with the proposed funding sources, are detailed at Appendix 'A'. These emerging issues have arisen from risk based assessments that have resulted in more works than originally anticipated being required in year and from structural failures that require more works than initially anticipated.

Funding sources

1. Additional Local Highways Maintenance Funding

In October 2018, the Chancellor announced in the Budget that the Government was allocating a further £420m of new money for local highways maintenance. The county council's allocation was £10.229m. It is proposed that the contingency of £0.119m is used to help fund the emerging issues.

2. Previously Approved Funding

It is proposed that an under spend of £1m within the previously approved capital programme resulting from efficiencies in service delivery is also used to help fund the emerging issues.

3. 2019/20 Pothole Action and Flood Resilience allocation

In April 2019 the county council was awarded a capital funding allocation of £1.242m from the Department for Transport to assist with repairing potholes and protecting the network from adverse weather. It is proposed that this funding is added to the highways block of the capital programme and that £0.549m is allocated to the emerging issues that are aligned with the conditions of the funding.

Based on objective data and in line with the use of the previous Department for Transport Pothole Action Fund allocation it is proposed that the remaining allocation of £0.693m is allocated to prioritise repairs across Lancashire on sections of roads in a condition which currently require the most regular visits to keep them safe and serviceable. These locations will be ranked on a countywide basis. This approach has two positive outcomes. Firstly, asset management principles have been applied in accordance with the Highways Maintenance Efficiency Programme by proactively identifying and carrying out permanent repairs and, secondly, the maintenance liability and costs incurred by repeated visits to known failing sites will be reduced. The proposed treatments could include patching, surface dressing and resurfacing depending on the nature of the problem.

In line with previous practice it is proposed that a programme of work is developed in consultation with the Deputy Leader of the County Council and Cabinet Member for Highways and Transport to utilise the remaining £0.693m allocation.

4. 2020/21 Local Highway Maintenance Incentive Funding

It is proposed that the first call on the county council's 2020/21 Incentive grant funding from the Department for Transport is to fund those issues where the proposals cannot be completed in full until 2020/21, the value of which is £0.203m.

The total Incentive Fund allocation is anticipated to be £3.867m, assuming that the county council continues to receive the maximum available allocation.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

The changes to the highways capital programme are required to ensure that emerging priorities and unanticipated service demands can be addressed. Failure to deliver these would result in increased risk to the public and safety issues.

Financial

The financial implications of the proposed changes at Appendix 'A' can be accommodated within the overall approved programme allocations, funded by grants and anticipated Local Highway Maintenance Incentive Funding in 2020/21, as summarised below;

Funding Source	£m
Additional Local Highways Maintenance Fund Contingency	0.119
Previously Approved Funding	1.000
2019/20 Pothole Action and Flood Resistance Fund	0.549
2020/21 Local Highway Maintenance Incentive Funding	0.203
Total	1.871

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A