

Report to the Cabinet

Meeting to be held on Thursday, 15 June 2017

Report of the Director of Corporate Commissioning

Part I

Electoral Divisions affected:
All

Department for Transport (DfT) 2017/18 Highway Incentive Fund (Appendix 'A' refers)

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Executive Summary

The Department for Transport (DfT) confirmed on 31 March 2017 that Lancashire County Council has been awarded Highway Maintenance Incentive Element funding in 2017/18 of £1.973m as part of the total Local Transport Fund Capital Funding for 2017/18 of £34.914m. The Incentive Element is based on the Self-Assessment return submitted on 3 February 2017.

Officers have considered proposals to be funded from the Incentive Element and propose bringing forward the highest priority ABC schemes that would otherwise have to be funded in 2018/19 up to the value of £1,686,005, in line with the priorities set out in the Transport Asset Management Plan (TAMP).

It is also proposed to fund emerging pressures of emergency repair to the A59, Mellor (£60,996) and risk based condition assessments for the high risk lighting columns (£30,000) and Post Tension structures on the M65 section managed by Lancashire County Council (£196,000) from the Incentive Element.

This is deemed to be a Key Decision and the provisions of Standing Order No. 26 have been complied with.

Recommendation

The Cabinet is recommended to approve the schemes set out at Appendix 'A' for funding from the Highway Maintenance Incentive Element funding in 2017/18 totalling £1.973m.

Background and Advice

In December 2014, the Secretary of State for Transport announced that £6 billion will be made available between 2015/16 and 2020/21 for local highways maintenance capital funding. From this funding, £578 million has been set aside for an Incentive Element Fund scheme, to reward councils who demonstrate that they are delivering value for money in carrying out cost effective improvements.

Each local highway authority in England (excluding London) was invited to complete a self-assessment questionnaire, in order to establish the share of the Incentive Element Fund they will be eligible for in 2017/18. Each local authority scored themselves against 22 questions and placed themselves in one of 3 bands on the basis of the available evidence. It was the responsibility of the Section 151 Officer at each local authority to ensure that they were satisfied that the evidence was sufficient for him/her to sign off the overall submission and total score.

In 2017/18, only authorities in band 3 will receive their full share of the £578 million, whilst authorities in band 2 will receive 90% of their share, and in band 1 they receive 60%. These percentages for bands 1 and 2 decrease in each subsequent year.

The Section 151 Officer submitted a return for Lancashire County Council of Band 3 on 3 February 2017.

The DfT confirmed on 31 March 2017 that Lancashire County Council has been awarded Highway Maintenance Incentive Element funding in 2017/18 of £1.973m as part of the total Local Transport Fund Capital Funding for 2017/18 of £34.914m.

It is proposed to allocate the Incentive Element fund as described below.

Transport Asset Management Plan Priorities

The Transport Asset Management Plan (TAMP) approved in June 2014, laid out the priorities to be considered should funding other than the Highway Maintenance Needs Element become available. During Phase 1 (2015/16 – 19/20) the TAMP suggests that the areas for investment should focus on:

"Primary Priority: Potential to bring forward whole programmes of planned work, prioritised on strategically important parts of the A, B & C road network."

It is therefore proposed to fund the highest priority ABC schemes that would otherwise have to be funded in 2018/19 up to the value of £1,686,005.

Emerging Pressures:

There are also emerging pressures, as described below, for which there is currently no identified funding source and it is proposed to fund these from the Incentive Fund. They include:

- **Emergency Repairs**

Since the Capital Programme was approved in March 2017 the A59 adjacent to Rose Cottage, Mellor has been identified as showing signs of rapid deterioration and requires emergency repair. It is also proposed to fund this from the Highways Incentive Fund. Estimated cost £0.61m

- **Risk Based Inspections**

The new Code of Practice relating to Well Managed Highway Infrastructure (October 2016) encourages Highway Authorities to adopt 'risk based condition assessment'; this approach has been embedded into recently approved Lifecycle Plans.

The Structures and Street Lighting Lifecycle Plans are indicating two areas where high risks have been identified but are currently not funded:

- Inspection of dangerous street lighting columns and
- Inspections for Post Tension structures associated with the LCC owned section of the M65.

It is proposed to fund these inspections from the Highways Incentive Fund.

Post Tension Structures: It is proposed to survey 4 high risk Post Tensioned structures on the M65 which have been identified as highest risk. Highways England survey all their structures every 6 years and the LCC M65 Structures have been subject to biannual General Inspections, however a more detailed inspection is now recommended. Nationally there is concern over Post Tensioned Structures. The approved Bridges Capital Budget is fully committed and it is therefore proposed to fund the inspections from the Incentive Fund at a total estimated cost of £0.196m.

Street Lighting Columns: Modelling using The Institute of Lighting Professionals Technical Report No.22 (TR22), as part of the Street Lighting Lifecycle Plan, identifies the columns most likely to fail. LCC has already replaced 4000 columns over 40 years old through the DfT Challenge Fund it is now proposed to test a small sample of the most high risk columns to assess whether a wider programme is needed. Accommodating this within the approved Street Lighting budget would result in columns that are tested and fail being taken down and not replaced. There are already more columns identified as needing replacement as there is currently funding available to replace them. It is therefore proposed to fund this work from the Incentive Element at a total estimated cost of £0.030m.

Summary

Table 1, below, summarises the proposed areas to fund from the 2017/18 Highways Maintenance Incentive Element.

Consultations

The schemes proposed to be funded from the Incentive Element have been considered and proposed by the Capital Board.

Implications:

This item has the following implications, as indicated:

Risk management

Financial

It is considered that the ABC roads identified in Appendix 'A' represent the best value for money for early intervention. The high risk column assessments will help validate the modelling and identify the potential financial liability for the Authority. The Post-Tension M65 Structures condition assessments will determine the condition of these structures and determine likely pressure on the Bridges Capital maintenance allocation.

Table 1

Area	Schemes	Cost	Total Cost
Tamp Priorities			£1,686,005
ABC roads resurfacing\ inlays	Highest priority schemes from 18/19 provisional programme as described in Appendix A		£1,686,005
Emerging Pressures			£286,995
Emergency Repair	A59 Rose Cottage, Mellor		£60,995
Risk Bases Inspections	Post Tension Inspections: M65 Structures	£196,000	
	Street Lighting High Risk Column Inspections	£30,000	£226,000
Total			£1,973,000

Risk

Well-Managed Highway Infrastructure Code of Practice (UK Roads Liaison Group, October 2016) advocates Highway Authorities adopting a risk based approach to managing highways. The ABC roads identified in Appendix 'A' have been identified as being the highest priority requiring earliest intervention to prevent deterioration. The Structures and Street Lighting Lifecycle Plans advocate a risk based approach for condition assessments. The high risk column assessments and the Post-Tension M65 Structures represent the aspects identified as highest risk. There has been proper consideration of what should attract this funding.

List of Background Papers

Paper	Date	Contact/Tel
Transport Asset Management	July 2014	Paul Binks/(01772) 532210

Plan

Street Lighting Life Cycle Plan January 2017

Paul Binks/(01772) 532210

Structures Life Cycle Plan April 2017

Paul Binks/(01772) 532210

Reason for inclusion in Part II, if appropriate

N/A