

Report to the Cabinet

Meeting to be held on Thursday, 9 July 2020

Report of the Head of Service - Asset Management

Part I

Electoral Division affected:
(All Divisions);

Allocation of Funding Received from the Transport Infrastructure Investment Fund

(Appendices 'A' – 'C' refers)

Contact for further information:

Paul Binks, Tel: (01772) 532210, Highways Asset Manager,
paul.binks@lancashire.gov.uk

Executive Summary

The Department for Transport has announced funding under the heading Transport Infrastructure Investment Fund that pulls together a number of previously announced funding streams including the 2020/21 Challenge Fund and the Pothole Action Fund. The allocation for Lancashire is £15,891,000. It has been confirmed that it is not ring-fenced and that authorities can spend on capital projects such as preventative maintenance and storm damage as a result of the severe weather events earlier in the year.

The additional funding announcement gives us a number of opportunities.

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

Recommendation

Cabinet is asked to approve:

- (i) The additional Transport Infrastructure Investment Fund money of £15,891,000 be allocated to the 2020/21 Capital Programme as described in the report.
- (ii) The funding of the A601(M) bridge and highway maintenance scheme.
- (iii) The funding of the storm damage schemes detailed in Appendix 'A'.

- (iv) The apportionment of funding to preventative maintenance schemes detailed in Appendix 'B'.
- (v) The Moss Roads Programme for 2020/21, detailed in Appendix 'C', which included the schemes funded from the approved Capital Programme agreed by Cabinet in March 2020 and those funded from the Transport Infrastructure Investment Fund.

Background and Advice

The Department for Transport has announced £15,891,000 under the heading Transport Infrastructure Investment Fund that pulls together a number of previously announced funding streams including the 2020/21 Challenge Fund and the Pothole Action Fund. The Department for Transport has confirmed that due to the ongoing coronavirus issues and pressures on authorities that the competition for 2020/21 Challenge Fund funding (£100mn) will now be allocated by formula. They also confirmed that the funding allocated can be used to undertake the schemes proposed in the Expression of Interest if deemed a priority by the local authority and that the fund is not ring-fenced; confirming that authorities can spend on preventative maintenance capital schemes and storm damage as a result of the severe weather events earlier in the year.

In October 2019 Cabinet approved the submission of an Expression of Interest to the Challenge Fund for the A601(M) scheme detailed below. This report proposes that the scheme should be funded from the Transport Infrastructure Investment Fund as it is the lowest cost option for maintenance spend over 30 years and if not approved an additional £1.6m will be required to be spent in 2021/22 which is not budgeted for. This report also proposes that the fund also be used to address the urgent storm damage works, as a result of storms Ciara and Dennis in February 2020, identified following underwater and confined space inspections and the priority works previously identified to prevent further deterioration. The additional funding announcement also allows delivery of the Transport Asset Management Plan preventative maintenance approach, prioritising schemes in line with the approach approved at the March 2020 Cabinet.

Proposals for apportioning the additional Department for Transport allocation of £15,891,000 from the Transport Infrastructure Investment Fund

It is proposed to apportion the £15,891,000 as per table 1 and described in detail below and in Appendix 'A'.

Table 1: Proposed Apportionment

	Transport Infrastructure Investment Fund
A601(M) (Challenge fund)	£9,245,000
Storm Damage	£2,504,536
Preventative Maintenance	£4,141,464
	£15,891,000

A601(M):

Submission of an Expression of Interest to the Challenge Fund was approved by Cabinet in October 2019. It is proposed that the scheme for the A601(M), which includes the removal of the motorway status of the road, along with removal of the Highway North Road Bridge and replacement with an at grade junction, be funded in total from this allocation (£9,245,000). The scheme opens up development opportunities and is the lowest cost option over 30 years. Whilst it has motorway status the forming of junctions is unlikely to be achieved and the Authority incurs higher maintenance costs, compared with removing the motorway status. If this scheme is not delivered £1.6m funding will be required in 2021/22, which is currently not budgeted for, to deal with the bridge safety issues.

Table 2: proposed spend profile:

Total	2020/21	2021/22	2022/23	2023/2024
£9,245,000	£450,000	£4,200,000	£4,200,000	£395,000

Storm Damage:

The funding of urgent works identified straight after storms Ciara and Dennis that require immediate attention was approved by Cabinet in May 2020 as a first call on the £5m awarded by Cabinet. Following the results of the confined space and underwater inspections, which were carried out by specialist contractors following the floods, further urgent works have been identified, required to prevent further deterioration to bridges and retaining walls, predominantly in the east of the county. In addition there are works required to highways and bridges that are considered to be a priority for funding before the end of the current financial year. It is proposed to fund these works as described in Table 3, with detail in Appendix 'A'.

Table 3: Storm Damage

Confined Space & Underwater Urgent Works	£557,750
Priority Highway Works (including Drainage & Highway structures)	£1,049,786
Priority Bridges and Retaining Walls Works	£897,000
Storm Damage Total	£2,504,536

Preventative Maintenance:

The Transport Asset Management Plan focuses investment in Phase 1 and 2 on A, B and C road network and urban unclassified residential roads. Recent Lifecycle modelling has indicated the need to establish a risk based approach to the management of lighting columns and traffic signals and additional funding was assigned to these asset groups for 2020/21 from the Department for Transport Incentive Fund element, as approved by Cabinet on 12 March 2020. It is proposed to use some of the additional monies to enhance the inspection and replacement scheme for street lighting columns most at risk, replace the traffic signal infrastructure at the key junctions and pelican crossing on the A6, Preston, between Church Street\Stanley Street and New Hall Lane\Queen Street, in line with the approach approved at the March 2020 Cabinet.

It is also proposed to assign monies to enhance the drainage programme to prevent flooding issues from the highway and support preventive maintenance to the carriageway programmes such as Residential Roads, A, B and C Roads, Moss Roads, Footways, and Jet Patching. These works are described in Appendix 'B'. It is recommended that the schemes delivered are those next in priority order from the schemes drawn up for the Capital Programme 2020/21 but which were not included in the approved programme due to the limited funding allocations.

Moss Roads

The moss roads present a particular challenge as extreme weather events over the last decade have had a major effect on the moss road network, as the peat upon which these roads are built responds to long hot summers by shrinking and drying out. As a consequence some foundations have become severely deformed and cracked. Investigations have revealed that many cracks run deep into the substructure of the roads and wetter winters result in moisture penetrating the sub-grade and cause further deterioration. It is proposed that the schemes delivered are those next in priority order from the schemes drawn up for the Capital Programme 2019/20 but which were not included in the approved programme due to the limited funding allocations as shown in Appendix 'C'. Appendix 'C' contains schemes for delivery from the £750,000 approved by Cabinet in March 2020 for the 2020/21 Capital Programme as well as those to be funded from these additional monies.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Allocation of the monies to the risk based approach for street lighting, traffic signals and drainage helps manage the risks of asset failure.

Delivery of the schemes to address the storm damage and the deteriorating moss roads will reduce the risk of asset failure and possible community disruption.

Financial Risk

Using the Transport Asset Management Plan approved preventative maintenance approach in the selection of schemes to be funded from these monies will extend the lifecycle of these assets and overall reduce the maintenance burden on the Authority.

The A601(M) scheme has the best cost\benefit ratio over 30 years and represents value for money for the Authority as well as opening up development opportunities to support the economy.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A