

Report to the Cabinet

Meeting to be held on Thursday, 3 March 2022

Report of the Head of Service - Policy Information and Commissioning (Live Well and Age Well)

Part I

Electoral Division affected:
(All Divisions);

Corporate Priorities:
Protecting our environment;

Proposed 2022/23 Highways New Start Capital Programme

(Appendices 'A' to 'I' refer)

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Brief Summary

This report recommends approval of the addition of the Department for Transport's 2022/23 grant funding allocation for Highway Maintenance to the highway block of the capital programme once confirmed. The report also recommends the proposed apportionment of the assumed level of funding, that is £20.167 million set out at Appendices 'A' and 'B'. The reference to New Starts refers to this "new" funding.

The report also requests approval of a number of detailed programmes of work relating to this funding set out at Appendices 'C' to 'H'. Any revisions required on receipt of the confirmed funding envelope be developed and presented for approval at a future date.

A carbon statement for the carriageway capital programme has been produced which shows a saving of 267 tonnes CO₂e (16.8%) compared with a programme based on traditional material choices. This is detailed at Appendix 'I'.

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 Department for Transport 2022/23 Highway Maintenance funding grant, once confirmed, be added to the Highway Block of the Capital

Programme.

- (ii) Subject to approval at (i) above, approve the proposed apportionment of the assumed 2022/23 Department for Transport Highway Maintenance funding as detailed in the report and at Appendices 'A' and 'B'.
- (iii) then subject to such approval of apportionments in (ii) –
- (iv) Approve the proposed 2022/23 New Starts Highway Maintenance programmes set out as projects at Appendices 'C' to 'H'.
- (v) Approve that any revisions required on receipt of the confirmed funding envelope be developed and presented for approval at a future date.
- (vi) Note the Carbon Statement detailed at Appendix 'I'.

Detail

Funding Source

Confirmation of the 2022/23 highway maintenance grant funding allocations from the Department for Transport is expected in the coming weeks. In previous years the Highways Maintenance Needs allocation and Local Highways Maintenance Incentive funding has been approximately £22 million. However, in 2021/22 the equivalent funding was £16.006 million, supplemented by a Pothole Action Fund allocation of £12.805 million.

Allocation	£m
Highway Maintenance Basic Need	12.805
Incentive Fund (assumes Bond 3)	3.201
Pothole Action Fund	12.805
Total	28.811

To ensure that delivery of the 2022/23 highway programme can commence from 1 April to maximise favourable weather conditions, staff resources and fulfil contractual obligations, a programme of work has been developed based on an assumed allocation of £20.167 million which represents 70% of the 2021/22 allocation of £28.811 million. Cabinet is asked to approve this programme.

A further report will be presented to Cabinet for future approval should any revisions to the programme be required once the final settlement and overall funding envelope has been confirmed.

Apportionment

The Transport Asset Management Plan, approved in 2014, sets out how the county council intends to maintain its publicly maintainable vehicular highway assets (A, B and C roads, unclassified road network, footways, street lighting, traffic signals and structures) over the period 2015/16 to 2029/30.

The performance of the plan is reviewed annually and the latest review presented to Cabinet in September 2021 provided an update on highway condition data as at March 2021. Condition data provided annually was used to review the Transport Asset Management Plan priorities for Phase 2 (2020/21 to 2024/25) and the proposed apportionment, along with the relevant service standards.

The criteria applied to develop the proposed 2022/23 New Starts Programme is aligned with the Transport Asset Management Plan to ensure that a proactive, preventative intervention maintenance programme is developed. The proposed apportionment is detailed at Appendices 'A' and 'B'.

The proposed apportionment takes account of:

- Extensive life cycle modelling that indicates that the level of capital funding received from central government is less than the requirement to maintain the assets to a good condition.
- The publication of the Well Managed Highways Infrastructure: Code of Practice document, (UK Roads Liaison Group: 2016) that has formalised highway authorities' approach to management of risk when maintaining highway assets and the need to fund additional asset related activities.

Programmes

The proposed programme is set out as schemes at Appendices 'C' to 'H'.

The proposed drainage programme contains two elements. One element is aimed at addressing drainage issues identified in the development and delivery of the 2022/23 and 2023/24 carriageway maintenance programmes. The second element is aimed at identifying the risk and impact of flooding to property and highways and addressing these issues.

Carbon Statement

As part of the county council's commitment to move towards Net Zero a carbon statement for the carriageway capital programme has been produced which shows a saving of 267 tonnes CO₂e (16.8%) compared with a programme based on traditional material choices. The Statement is detailed at Appendix 'I'.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

It should be noted that the Transport Asset Management Plan suggests that an annual allocation of approximately £35 million is required to maintain all highway assets effectively and safely. Therefore, significant risks are associated with a reduced allocation. An allocation of £34.75m is considered the minimum level of funding to manage the asset within a reasonable level of risk.

An allocation of £22.75 million is deemed the minimum allocation necessary to manage assets in 2022/23 within acceptable risk levels, though increased risk is incurred.

There are a number of risks associated with receipt of a reduced settlement in 2022/23 including:

- Reduced ability to maintain the progress already made in Phase 1 of the Transport Asset Management Plan in improving the ABC network and maintain it in a good condition through phase 2 of Transport Asset Management Plan.
- Reduced ability to address phase 2 priorities, particularly the urban unclassified network that is currently considered 'poor' and would deteriorate further. This would also have the impact of increased number of structural defects having to be dealt with on a reactive basis, and increased concerns raised by Members and members of the public.
- Increased risk of street lighting column failure, causing risk to the public, throughout Phases 2 and 3 of the Transport Asset Management Plan. This can be mitigated by transferring funds from column replacement to column testing; however, the backlog in column replacement will increase as a result.
- Potential increase in the failure of traffic signal equipment on the strategic road network, throughout Phases 2 and 3 of the Transport Asset Management Plan.
- Risk in effectively assessing bridge condition, including effects of scour and severe weather events, and developing timely maintenance programmes, prejudicing the delivery of priorities of Phase 3 of the Transport Asset Management Plan as well as carrying additional risks during Phase 2.
- Not adequately addressing the Phase 2 priorities during Phase 2 of the Transport Asset Management Plan (up to March 2025) also puts further pressures on the Phase 3 priorities and substantially increases risk through Phase 3 of the Transport Asset Management Plan.
- Not maintaining the ABC network in a good condition through preventative treatments through Phase 2 will not have an immediate effect on condition of the network in Phase 2 of the Transport Asset Management Plan but will increase the maintenance backlog for Phase 3 of the Transport Asset Management Plan. This and the carried over backlog of the unclassified networks to Phase 3 will mean an increased carbon footprint and continued increased levels of structural defects.

The assumed 2022/23 Department for Transport grant funding allocation also assumes that the county council will qualify for Band 3 Incentive funding. The assessment of officers is that the county council will be confirmed as qualifying for Band 3 funding but funding may be reduced if Band 3 status is not achieved.

It should also be noted that the delivery of the proposed programmes/projects is dependent on the 2021/22 highway maintenance programme outturn position which will not be known until spring 2022. The programmes may be subject to change after this date.

Furthermore, there is a risk that some of the detailed highway and transport programmes/projects set out at Appendices 'C' to 'H' may not be delivered or could be delayed due to changes to estimated costs, other priorities emerging within year because of bad weather or other unforeseen circumstances.

Since the bridges and structures programme will require design and consultation, it is anticipated that some elements of the programme may to be delivered over two years. It is proposed that the programme will be subject to review to ensure work is delivered in the most effective time frame with funding being brought forward as required.

The impact of the COVID-19 pandemic is being managed but may result in delays to delivery or an increase in budget estimates.

Financial

It is proposed that the programmes detailed at Appendices 'C' to 'H' be funded from the 2022/23 highway maintenance grant funding from the Department for Transport, assumed to be £20.167 million. Should the level of funding in the Determination of Grant letter be different to the assumed allocation then the implications will be reported to Cabinet.

Due to the nature of the development of the Bridges programme the expenditure profile is:

- 2022/23 - £1.000 million
- 2023/24 - £2.500 million

All structural defects that meet the safety intervention criteria will be addressed and therefore the actual expenditure will reflect operational demand. It is assumed that £8 million will be required in 2022/23 to be funded by:

- £2 million from the Department for Transport's Highway Maintenance Grant.
- £6 million from other funding within the capital programme with Grants received including Highway Maintenance Basic Need and incentive grants being the priority funding and prudential borrowing being a last resort.

Legal

The Authority has a duty to maintain publicly maintainable highways, both vehicular and those which are in the Public Rights of Way network. Maintenance includes drainage and includes maintaining various structures such as some bridges, culverts, etc.

List of Background Papers

Paper	Date	Contact/Tel
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None		
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Reason for inclusion in Part II, if appropriate		
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