

**Lancashire Enterprise Partnership Limited**

**Private & Confidential: NO**

**Date: 10<sup>th</sup> February 2015**

**Department for Transport Local Highways Maintenance Challenge Fund**

**Report Author: Dave Colbert, Specialist Advisor Transport Planning,  
Lancashire County Council**

**Executive Summary**

This report presents the LEP Board with information regarding the establishment of the Local Highways Maintenance Challenge Fund announced by the Government in the 2014 Autumn Statement.

**Recommendations**

The Board is asked to note the report.

**1. Issue for Consideration**

- 1.1 The Government announced the establishment of the Local Highways Maintenance Challenge Fund in the 2014 Autumn Statement. Its purpose is to enable local highway authorities in England to bid for funding for major maintenance projects that are otherwise difficult to finance through the more traditional capital grants they receive. The total value of the fund is £575m spread over the six financial years from 2015/16 to 2020/21, with £75m available in 2015/16 and £100m in each of the subsequent five years. The Department for Transport is now seeking bids for Tranche 1 covering 2015/16 to 2017/18 (£275m in total). There is a cap of two bids per local authority and funding is 100% capital.
- 1.2 Eligible schemes must require a minimum DfT contribution of £5m or more and to ensure strong local commitment promoters will need to contribute at least 10% of total scheme costs. The greater the overall local contribution the more positively DfT will consider a bid in the assessment process. DfT may also take into account interactions with other central Government funding streams, for example, the Local Growth Fund. As part of the strategic case, bids need to provide evidence of benefits to, and support from, local businesses. This may include endorsement by the relevant Local Enterprise Partnership.

- 1.3 Lancashire County Council and Blackpool Borough Council are submitting bids, the deadline for which is 9<sup>th</sup> February 2015. However, where political sign-off / LEP endorsement cannot be secured by the deadline, promoters can submit a bid in draft and follow-up with final sign-off by Friday 20<sup>th</sup> February at the latest. However, bids cannot be changed after 9<sup>th</sup> February.
- 1.4 The Lancashire Enterprise Partnership is therefore invited to endorse the following bids:

### **Lancashire County Council: M65 Motorway Exceptional Infrastructure Maintenance**

The County Council is the highway authority responsible for the 12km length of M65 between Junctions 10 and 14 in East Lancashire. This bid is for exceptional motorway infrastructure maintenance on this section comprising replacement of the central reserve steel crash barriers with concrete barriers that meet current standards. The scheme also involves the replacement of side crash barriers and upgrading the driver information matrix signs, and will ensure that national standards with regard to central reserve vehicle restraint systems are met. As a local highway authority, the County Council is unusual in having responsibility for maintaining such a long length of motorway; consequently, the scale and urgency of the proposed works would be extremely challenging to finance through traditional capital grant funding.

The bid will complement investment secured through the Lancashire Growth Deal to deliver junction improvements along the M65 in support of the release of additional site capacity for development in the key Burnley-Pendle Growth Corridor. The scheme will cost £6.6m in total with the County Council providing a local contribution of £1.5m (23%).

### **Lancashire County Council: Upgrading of Street Lighting**

This scheme involves upgrading 67,000 energy inefficient street lighting lanterns with modern LED equivalents, replacing up to 4,000 lighting columns that have reached the end of their service life and the provision of approximately 150 electricity charging points suitable for use by Ultra Low Emission Vehicles (ULEV).

The County Council has 148,000 lighting columns, the largest number of any English local authority, and requires a significant financial resource to maintain. In order to replace columns when they reach the end of their assumed 40 year service life, an annual budget of £4m is necessary just to keep pace with the rate of renewal. Whilst good progress has been made with the replacement of existing lamps/lanterns with energy efficient equivalents, the programme terminated early due to budget pressures, leaving a significant number of lanterns 67,000 (46%) still in need of upgrading.

Increasing energy costs are now a growing burden on the County Council's revenue budget. The scheme will also contribute towards the Council's wider

strategy to reduce greenhouse emissions from street lighting activities. Promoting a greater take up of ULEVs in Lancashire will help to reduce emissions further. The scheme will cost £19.8m in total with the County Council providing a local contribution of £5m (25%).

### **Blackpool Council**

Blackpool Council has secured funding through the Lancashire Growth Deal to repair ten defective bridge structures that are either failing or have restriction placed on them, putting key corridors into the resort at risk. Recent detailed assessments have shown that a further three bridges are in urgent need of repair. The Council is therefore seeking additional funding through the Maintenance Challenge Fund to include the three bridges in its wider Growth Deal programme.

The three bridges are in locations of economic importance and cannot be repaired without a further capital injection. Loss of these bridges will sever vital arterial traffic routes, compromise the town's local distributor network and risks undermining the renewal strategy for Blackpool set out in the Strategic Economic Plan. The additional works will cost £7.135m in total with the Council providing a local contribution of £1.57m (22%).