

CABINET

20 February 2018

HIGHWAYS CAPITAL PROGRAMME

Report of the Director for Places (Environment, Planning & Transport)

Strategic Aim:	Safeguard the most vulnerable and support the health & well-being needs of our community	
Key Decision: Yes	Forward Plan Reference: FP/1231015/03	
Cabinet Member(s) Responsible:	Mr N Begy, Deputy Leader and Portfolio Holder for Planning Policy & Planning Operations, Highways & Transportation and Communications	
Contact Officer(s):	Dave Brown, Director for Places (Environment, Planning & Transport)	01572 758461 dbrown@rutland.gov.uk
	Neil Tomlinson, Senior Highways Manager	01572 758342 ntomlinson@rutland.gov.uk
Ward Councillors	Not applicable	

DECISION RECOMMENDATIONS

That Cabinet:

1. Approves the highway capital programme for 2018/2019 (attached as Appendix A);
2. Notes the indicative programmes for 2019/20 and 2020/21 (attached as Appendices B and C); and
3. Approves the increase on works package allowance under the highways term maintenance contract to £500k for surface dressing works.

1 PURPOSE OF THE REPORT

- 1.1 To consider the allocation of the highway maintenance capital funding for 2018/19 and the indicative allocations for 2019/20 and 2020/21.

2 BACKGROUND AND MAIN CONSIDERATIONS

- 2.1 The Highways Capital Programme contains schemes and operations that contribute towards the strategic aims of sustainable growth and safeguarding and fulfil the Council's statutory duties with regard to highway maintenance.

3 HIGHWAYS CAPITAL PROGRAMME

- 3.1 The Department for Transport (DfT) grant for capital maintenance is not ring-fenced and could be used for other purposes.
- 3.2 Additional funding, such as the Incentive Fund and the Pothole Action Fund are

also not ring-fenced, but how they are used has to be published on the Council website as a condition of acceptance. Use in other areas would affect future allocations.

- 3.3 This report proposes a 2018/19 highways capital programme (see Appendix A) and indicative programmes for 2019/20 and 2020/21 (Appendices B & C).

4 MAINTENANCE SCHEMES

- 4.1 Due to the approval of previous indicative programmes, resources have been allocated to accurately assessing and target costing future schemes. This enables more accurate costs to be presented in the 2018/2019 programme (Appendix A).
- 4.2 The programme of maintenance schemes is driven by the asset management and lifecycle planning based approach approved by Cabinet on 15th November 2016 (report 160/2016).
- 4.3 The £600k allocated to Oakham Town Centre, as approved on the indicative programme (Cabinet report no: 6/2017), is no longer required for this scheme, and has been indicatively included for the 2020/21 programme, subject to further scheme consultation.

5 INCENTIVE FUNDING

- 5.1 In June 2015, the DfT announced measures to incentivise highway maintenance efficiencies in delivery, asset management, engagement and communication with stakeholders. Highway authorities are rated as band 1, 2 or 3. The banding score determines the level of additional funding received on top of existing capital maintenance allocations.
- 5.2 The Council submitted an initial self-assessment of band 1 for 2016-17. Improvements to our asset management systems resulted in a band 2 submission in January 2017. This will result in an additional £224k of incentive funding, subject to confirmation by DfT for 2018-19. It should be noted that the overall needs based funding allocation will reduce from £1.696million to £1.535million for 2018-19.

6 WELL-MANAGED HIGHWAY INFRASTRUCTURE: A CODE OF PRACTISE

- 6.1 This code was produced in October 2016, and all highway authorities are expected to adopt the principles within it by October 2018. The Code is designed to promote the adoption of an integrated asset management approach to highway infrastructure based on the establishment of local levels of service through risk-based assessment. It also includes guidance on some additional topics. The code can be viewed at <http://www.ukroadsliaisongroup.org/en/codes/>.
- 6.2 The Council has been working towards these principles by the adoption of the revised Highways Asset Management Plan in November 2016, and continues to work towards implementing the 36 recommendations within the Code by October 2018.

7 POTHOLE ACTION FUND

- 7.1 The autumn budget statement included an allocation of £46million of additional funding for highways maintenance, which has been distributed using a network length based formula. RCC will receive £107k, which has been allocated to pre-surface dressing patching with the aim of preventing potholes.

8 STRUCTURES

- 8.1 Since 1998 RCC has delegated functions relating to highway structures to Leicestershire County Council (LCC) by means of a trading agreement. This agreement has worked efficiently and cost effectively with LCC undertaking the inspections and management of all structures and bridges over 1.5m in span. This involves undertaking inspections and the production of condition reports.

9 SURFACE DRESSING

- 9.1 Regular surface dressing is the most efficient way of maintaining the highway. The service is currently delivered through the highways term maintenance contract. The surface dressing programme is made up of a series of individual sites, located around the County. The prices are based on tender-submitted rates which allocates all the risk of weather, or other delays to the contractor. The total annual value of works on all sites can vary from £370-500k, depending on the approved budget.
- 9.2 The contract currently allows for individual schemes of up to £250k. Schemes over this value are individually tendered or awarded under the Midlands Highway Alliance medium schemes framework.
- 9.3 To reduce the administration time of issuing individual orders for each site it is recommended that Cabinet approve the increase of the maximum value of a works package under the current term contract to £500k, but limited only to surface dressing.

10 RE-CYCLING – MANOR LANE, BARLEYTHORPE

- 10.1 Manor Lane, Barleythorpe is in poor condition and has deteriorated significantly over the last 12 months. The scheme included in Appendix 1 seeks to utilise approximately 1,000 tons of tar-bound, contaminated material from resurfacing schemes in Oakham. The material is recycled using a proprietary process and material called Ultifoam. This reduces the need to dispose of contaminated material and minimises costs.
- 10.2 It had been previously requested that the current status of Manor Lane as adopted highway be reviewed, with the request to ascertain if it could be downgraded to a bridleway or byway. In order to change the status of a highway, a Modification Order pursuant to the Wildlife and Countryside Act 1981 would be required. In general, the Council would need to be able to demonstrate that the use of the highway on foot and on horseback combined is greater than the vehicular use, in order to reclassify as a byway.
- 10.3 With regards to maintenance obligations, case law shows that the duty to maintain a highway is to keep it in such a state of repair as renders it reasonably passable for the ordinary traffic of the neighbourhood in all seasons of the year without danger caused by its physical condition. This scheme would ensure that the road is maintained in a suitable condition for many years, requiring minimal reactive maintenance.

11 ASSET MANAGEMENT & INSPECTION SOFTWARE

11.1 DfT award capital incentive funding based on how well authorities implement asset management best practice (see section 5). Authorities are banded 1 (worst), 2 or 3 (best). A target within the corporate plan is the updating of the highways asset management plan to achieve band 2 status by March 2018 and band 3 status by March 2020. Band 2 status has already been achieved. An integrated highway asset management system would significantly contribute towards achieving band 3 status by March 2020. It will offer the following benefits:

- Maximise DfT incentive fund income by improving asset management;
- Maximise income from streetworks inspections and allow the introduction of permitting to minimise disruption caused by roadworks;
- Improve efficiency;
- Improve customer service;
- Improve defence against insurance claims; and
- Comply with the recommendations of Well Maintained Highway Infrastructure: A Code of Practise.

11.2 Over 5 years the cost of an integrated highway asset management system would be £195k. This is made up from £60k for set up (capital expenditure included in Appendix A) and £27k annual license costs (revenue expenditure).

11.3 Over 5 years the net income/saving is estimated to be £828k. This is comprised of £772 of additional capital grants and a net revenue saving of £11k per year. This is based on:

- £832k of additional DfT incentive funding (capital) as a result of a band 3 rating;
- £140k of additional income from streetworks charges (£35k per year from 2019/20); and
- A saving of £51k (£11.2k per year) from withdrawing the EXOR system.

12 CONSULTATION

12.1 Specific consultation with Members and the public has not been undertaken for individual schemes.

12.2 Scheme specific consultation and communication will take place with affected stakeholders in advance of implementation.

13 FINANCIAL

13.1 The total cost of the proposed capital programme (appendix A) is £ £2,059k. The programme is funded in the following manner:

Needs Based Funding Allocation	£ 1,535,000.00
Incentive Funding Allocation (minimum)	£ 224,000.00
Carry forward for OTC from 17/18	£ 200,000.00
NPI Funding carry forward	£ 100,000.00
Total Funding Available	£ 2,059,000.00

13.2 The MTFP in report 44/2017 included both the £1,535k Maintenance Grant and the £224k Incentive Funding.

14 LEGAL AND GOVERNANCE CONSIDERATIONS

- 14.1 The Council has a duty under Section 41 of the Highways Act 1980, to maintain the Highway in such a state as to be safe and fit for the ordinary traffic that may reasonably be expected to use it. The capital programme for maintenance must make sufficient provision for the Council to comply with this duty.

15 EQUALITY IMPACT ASSESSMENT

- 15.1 Equality impact assessment screening has been carried out. No issues were identified and a full equality impact assessment is not required.

16 COMMUNITY SAFETY IMPLICATIONS

- 16.1 Well maintained highways contribute towards road safety.

17 HEALTH AND WELLBEING IMPLICATIONS

- 17.1 Failure to deliver a sustainable maintenance programme will lead to a decline in the quality of the highway networks throughout Rutland, leading to reductions in the quality of:

- Transport links; and
- Access to safe and useable highways, footway and cycleways, thus promoting activities such as walking and cycling.

18 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 18.1 It is recommended that the capital highway maintenance programme in Appendix A be approved to help deliver the Council's strategic aims of "sustainable growth" and to fulfil the Council's statutory duties with regard to highway maintenance and road safety as efficiently as possible.

19 BACKGROUND PAPERS

- 19.1 There are no background papers

20 APPENDICES

- 20.1 Appendix A, B & C - Works Programmes 2018-21

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.