

## CABINET

18 April 2017

### HIGHWAYS CAPITAL PROGRAMME

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

Strategic Aim:	Sustainable Growth	
Key Decision: Yes	Forward Plan Reference: FP/161216/03	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr T Mathias, Leader, Portfolio Holder for Finance and Places (Highways, Transport and Market Towns)	
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 2017/2018 (attached as Appendix A).
2. Notes the indicative programmes for 2018/19 and 2019/20 (attached as Appendices B and C).
3. Approves the use of £378k National Productivity Investment (NPI) funding for design and consultation works to Oakham Town Centre.
4. Approves the continued use of the Midlands Highway Alliance (MHA) Medium Schemes Framework for procuring schemes over the agreed term maintenance contract threshold as part of an alliance with other Midland authorities.
5. Approves the continued delegation of the statutory function for the maintenance of all highway related structures to Leicestershire County Council, under Section 101 of the LGA.
6. Authorises the Director for Places, in consultation with the Portfolio Holder to approve the use of any savings generated from Capital schemes to bring forward schemes from the forward programme (Appendix B and C), or works as may be required to expedite the delivery of capital maintenance works.

## **1 PURPOSE OF THE REPORT**

- 1.1 To consider the allocation of the highway maintenance capital funding for 2017/18 and the indicative allocations for 2018/19 & 2019/20.

## **2 BACKGROUND AND MAIN CONSIDERATIONS**

- 2.1 The Department for Transport (DfT) grant for capital maintenance is not ring-fenced and could be used for other purposes.
- 2.2 Additional funding, such as the Incentive Fund, Pothole Actions Fund and National Productivity Investment fund (NPI) 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.
- 2.3 This report proposes a 2017/18 Highways Capital Programme (see Appendix A) and indicative programmes for 2018/19 and 2019/20 (Appendices B & C).

## **3 MAINTENANCE SCHEMES**

- 3.1 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 2017/2018 programme (Appendix A).
- 3.2 The programme of maintenance schemes is driven by the asset management and lifecycle planning based approach, contained within the Highways Asset Management Plan (HAMP) approved by Cabinet on 15th November 2016 (report 160/2016).
- 3.3 Oakham resurfacing works will be taking place once utility works have been completed later this autumn. These works have been delayed from previous years to ensure that new surfacing was not damaged by planned utility work.
- 3.4 Previous maintenance programmes have seen money spent countywide as part of re-surfacing and surface dressing programmes. Due to the longstanding plans to improve Oakham Town Centre, investment in Oakham has been limited for a number of years.
- 3.5 Communication regarding scheme and work delivery will be in accordance with the Stakeholder Communications Plan, approved within the HAMP.

## **4 INCENTIVE FUNDING**

- 4.1 In June 2015, the DfT announced measures to incentivise highway maintenance efficiencies in delivery, asset management, engagement and communication with stakeholders. This is based around a series of 22 questions following which highway authorities are rated as Band 1, 2 or 3. Banding determines the level of addition funding received on top of exiting capital maintenance allocations.
- 4.2 The Council has submitted a banding score of 2 ahead of the target in the corporate plan. This will result in an additional £143k of incentive funding subject to confirmation by DfT.

## **5 POTHOLE ACTION FUND**

- 5.1 Funding from this £153k allocation will be used to augment pre-surface dressing patching budgets, with the specific aim of preventing potholes appearing on the network through good practise and implementation of the HAMP.

## **6 NATIONAL PRODUCTIVITY INVESTMENT FUND (NPI)**

- 6.1 The Council has been allocated £378k from this fund. The funding is intended to be used to reduce congestion at key locations, upgrade or improve the maintenance of highway assets across, to improve access to employment and housing, and to develop economic and job creation opportunities. It is proposed to use this funding to progress the Oakham Town Centre project in place of S106 funding previously approved by Cabinet.
- 6.2 The proposed funding for the Oakham Town Centre project allows for £1.5million towards construction costs to be funded jointly between the Integrated Transport Fund (£903k) and the Highways Capital Maintenance Programme (£600k). The £600k will be made up from £200k to be carried forward from 2017/18, and £400k from the 18/19 allocation. It should be noted that the 18/19 Integrated Transport allocation has not been confirmed by DfT.
- 6.3 Costs are currently being prepared for the consultation and design process and will be reported to Cabinet when finalised.

## **7 STRUCTURES**

- 7.1 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.
- 7.2 LCC requested that the agreement be updated and costs reviewed. The cost for the agreement has been £14,280 pa since 2010. The revised trading agreement will cost £16,000 pa and will be index linked. RCC market tested this service in around 2012, and quotations were in the region of £25k pa.

## **8 CONSULTATION**

- 8.1 Specific consultation with Members and the public has not been undertaken for individual schemes.
- 8.2 Consultation was undertaken during the approval of the HAMP, on the methodology and process for the identification of highway maintenance programmes.
- 8.3 Scheme specific consultation and communication will take place with affected stakeholders in advance of implementation.

## **9 FINANCIAL IMPLICATIONS**

- CAPITAL PROGRAMME

9.1 The total cost of the proposed capital programme (appendix A) is £2.52m (allowing for £200k to be carried forward to part-fund Oakham Town Centre works in 2018/19). The programme is funded by £1.696m Allocated Maintenance Grant, £143k Incentive Funding, £153k Pothole Action Fund and £378k NPI. In addition, an estimated £150k of unallocated savings from this years' programme will be carried forward into 2017/18.

9.2 The MTFP in report 39/2016 included both the £1.696m Maintenance Grant and the £143k Incentive Funding.

9.3 To accept the NPI funding, RCC must have completed the following:

Confirmed that the £378k of funding from the NPI Fund will be spent on improving local road networks, such as highways and public transport networks. Without this confirmation the Council will not receive the funding. A condition of the subsequent grant allocation was that the Council include on our website information showing how the funding was used.

- STRUCTURES

9.4 The revised trading agreement will cost £16k pa and will be index linked. Annual revenue budgets will be amended from 2018/19 to reflect this. The small pressure in 2017/18 will be met from within highways functional budgets.

## **10 LEGAL AND GOVERNANCE CONSIDERATIONS**

10.1 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.

## **11 EQUALITY IMPACT ASSESSMENT**

11.1 An Equality Impact Assessment screening has been undertaken and there are no adverse effects due to this policy.

## **12 COMMUNITY SAFETY IMPLICATIONS**

12.1 Well maintained highways contribute towards road safety.

## **13 HEALTH AND WELLBEING IMPLICATIONS**

13.1 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
- Access to safe and useable highways, footway and cycleways, thus promoting activities such as walking and cycling.

## **14 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 14.1 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.

## **15 BACKGROUND PAPERS**

- 15.1 There are no additional background papers to the report.

## **16 APPENDICES**

- 16.1 Appendix A, B & C - Works Programmes 2017-20

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