

## **County Road Highway Maintenance Revenue Budget and On-street Parking Account 2020/21**

Report of the Chief Officer for Highways, Infrastructure Development and Waste

***Please note that the following recommendations are subject to consideration and determination by the Cabinet (and confirmation under the provisions of the Council's Constitution) before taking effect.***

### **Recommendations: That**

- (a) the budget allocations for highway maintenance for 2020/21 detailed in Appendix I, be approved;**
- (b) authority to amend the allocations between different work types to maintain the budget within the total allocation and to maximise the impact of the maintenance programme be delegated to the Chief Officer for Highways, Infrastructure Development and Waste in consultation with the Cabinet Member for Highway Management;**
- (c) the programme funded from the On-street Parking Account for 2020/21 as set out in Appendix II be approved.**

### **1. Background**

This report deals with the revenue funding by maintenance function for highway reactive repairs, routine and cyclic maintenance for 2020/21. It also recommends for approval a programme of work identified in accordance with the provisions of Traffic Management Act 2004, to be funded from the On-street Parking Account.

The effect of Coronavirus on Devon has resulted in the sequential closure of quarries and larger supply chain suppliers limiting the ability to maintain the delivery of a normal maintenance service. By the end of March most works were limited to essential safety works and very limited sites where social distancing could be adhered to.

The intention is to continue to deliver maintenance where controls, supplies and resources permit the authority to do so, however, an extended period of lockdown and the after affects will challenge the delivery of the full programme in 2020/21. What this may look like in terms of delivery of the intended routine revenue works is uncertain. The potential impacts are outlined in the risk considerations in section 13 of this report.

The gap analysis on the recommendations of the Code of Practice, Well Managed Highways Infrastructure (2016) and as presented to Scrutiny Committee in a Masterclass in September 2019, identified a number of key areas where the service can demonstrate further continuous improvement. A review on how the service communicates and consults with members and communities on its proposals is being reflected in the 'Doing What Matters' (DWM) approach for both planned and reactive maintenance, we are investigating how the service can also better understand issues around flooding, asset inventory and cyclical maintenance which may offer a sustainable change in the management of this vital asset.

## 2. Introduction

Revenue funded works essentially consist of three types of maintenance:

- (a) **Reactive:** repairs to safety defects such as filling of potholes, emergency response, dealing with flooding, replacing mandatory signs and markings, clearing overhanging vegetation and the like, which, if neglected, would pose a potential danger to road users. During winter periods undertaking precautionary salting and snow clearance.
- (b) **Routine maintenance:** this includes drainage repairs, broken kerbs, replacing damaged warning signs and markings, wall repairs and maintenance.
- (c) **Cyclic maintenance:** such as gully emptying, grass cutting, cleaning and clearing of drainage pipes, ducts and channels, ditch cleaning and siding and water tabling, most of which is carried out to a defined frequency.

Planned, programmed or structural maintenance that improves or upgrades the asset such as resurfacing, reconstruction and surface treatment are aimed at keeping roads structurally sound and or extending operational life, this is funded from the Capital budget. Approval of the Highway Maintenance Capital budget is detailed in report HIW/20/19 also being considered at this meeting.

Devon's road network is the longest Local Authority maintained network in the country covering 8,025 miles (12,915 km) of road from (A) roads down to single lane unclassified roads, comprising:

- 597 miles (961 km) of principal (A) roads,
- 407 miles (655 km) of non-principal (B) roads,
- 2,815 miles (4,531 km) of non-principal (C) roads,
- 4,206 miles (6,768 km) of unclassified roads,

Within the County Council revenue budget for 2020/21 the highway maintenance base budget has been set at £26,079,000, comprising £23,879,000 in the Highways Service budget and £2,200,000 funded from the On-street Parking account. Detailed allocations are set out in Appendix I.

We have seen an unprecedented level of wet weather particularly towards the latter part of 2019 and into the start of 2020 with significant periods of continuous rain and a succession of three named storms that has also brought with it destructive and intense high winds. This has resulted in damage across the network with fallen trees, landslips, extensive flooding and property damage. The concentrated period of extended rain falling onto the network combined with increased run off from adjacent land has frequently overwhelmed the drainage systems resulting in localised flooding. Sometimes this has led to temporary closures on parts of the network which then impacts on the ability for users to effectively navigate to their destinations.

We are fully aware of the effect cold weather and ice has on road condition and it is fortunate that this winter has been mild with road surface temperatures remaining largely above freezing for the most part. Just as concerning as the effects of ice however is the damage caused by excessive surface water and flooding on the network and its condition, this is demonstrated by a spike in potholes when compared to the same period in 2019.

## 3. Strategy and Analysis

The strategy uses a framework to manage the highway network as described in the Highway

Infrastructure Asset Management Policy (HIAMP). With a total asset under CIPFA guidance valued at £13.3 billion (Gross Replacement Cost) of which carriageways alone are valued at £11.1 billion, the highway network maintained and managed by Devon County Council is our County's most valuable and important public asset.

Since around April of 2019 all of our publicly reported potholes are now visited and assessed by a team of dedicated triage inspectors. This allows for serviceability defects to be addressed as well as safety defects, and where possible the root cause of the issue. At point of assessment the inspector will verify the defect and pass for action, along with all necessary supporting information, to enable a suitably equipped repair gang to attend and, in the vast majority of cases, effect a first-time repair. This is resulting in about half of all public reports being closed with no further action. The combination of an improved process, the increased use of the Dragon Patcher in the repair of some of these defects is beginning to demonstrate efficiencies in reducing safety defects over the whole network.

District and Parish Council commitments in assisting in the delivery of key elements of the service continues in the area of local grass and hedge cutting and the treatment of weeds. The assistance by some Parish Councils in undertaking pothole repairs and lengthsman duties is also helping to reduce our winter backlog in pothole repairs and removing water off the network.

We have seen a noticeable increase with regard to issues with drainage and flooding in multiple locations across the network. Investigations to better understand what is happening from a service perspective and what is driving these issues has identified some key actions and important areas for further review. Improvements in system jetting and investigation combined with enhanced records on the drainage asset itself is seen as a first step in understanding the causes.

The lack of edge cleaning is cited by many as one of the major causes of flooding across the rural network and the additional drainage allocation for this financial year is welcome in addressing this

#### **4. Detailed Allocations**

Detailed allocations by work function are given at Appendix I. These are based on Devon's asset management principles and experience of maintaining the network.

Previous financial years funding has enabled the service to focus on improving the networks ability to deal with the increase in surface water by enabling improvements in its localised drainage and ditching assets. However, our rapidly changing climate means further focus and resource is required in managing how we control and remove water off the network now and for the foreseeable future, for both highway water and also from run-off from adjacent private property. Any shortfall in our ability to manage this aspect of maintenance will have significant repercussions in respect of network condition, maintenance cost and safety for the customer. The additional £2,000,000 funding for cyclical works in 2020/21 will therefore enable the service to continue its ongoing cyclical works programme to improve drainage capability across the network.

It is essential that ongoing increased provision for regular routine cyclical works is maintained for future years to ensure that the focused routine drainage works achieved over recent and current years continues to effectively deal with the increase in surface water on our network.

After taking into account the funding allocations, inflationary increases and capitalisation of

some work activities, the 2020/21 highway budget has been achieved with no further reduction of the level of service requirements identified in the Highway Infrastructure Asset Management Plan.

Other than in respect of inflationary adjustments the following matters are included in how budgets are being allocated:

- An additional £2,000,000 funding into cyclic maintenance to deal with drainage related issues.
- An increase in the Safety Reaction budget of £559,000 to fund improvements in the effectiveness of safety defect repairs.
- A review of past expenditure has identified savings of £200,000 in winter service.

## **5. On-street Parking Account**

The expenditure of on-street parking income is restricted by the Road Traffic Regulation Act 1984. The costs of operating the on-street parking service is the first call on the income held in the On-street Parking Account. Any remaining funds/surplus must then be used in accordance with the eligibility criteria set out in the legislation with surpluses used for:

- The provision or operation of public transport services
- The provision of facilities for public transport services
- Highway or road improvement projects
- Environmental improvements

The 2020/21 Highways Maintenance budget includes £2.2M for highways environmental maintenance works, which are funded from the On-street Parking account. Full details of the proposed On-street Parking Account non-operating expenditure for 2020/21, totalling £5.315M, are shown in Appendix II.

The projected closing balances of the On-Street Parking reserve are shown on page 107 of the 2020/21 Budget Book. The estimated balance of the account is expected to reduce from £1.681M at 31 March 2020 to £0.156M by 31 March 2021, but this does not take into account the effect that Covid-19 may have on both income and expenditure. Expenditure charged to the On-street Parking Account is regularly reviewed in order to ensure the fund is used effectively.

## **6. Traffic Management Plans**

There continues to be a high demand from communities for the review and implementation of parking restrictions. Larger schemes looking at community wide changes (including measures such as residents parking) are served via the £25k Traffic Management Plans budget in the On-street Parking account.

The current level of demand means that the 2020/21 programme is filled with existing commitments, including implementation of Exmouth and Sidmouth Residents Parking Schemes (as agreed at East Devon HATOC on 07/12/18), new schemes within Exeter (as agreed at Exeter HATOC on 09/04/19), and the review of the Teignmouth Traffic Management Scheme (as agreed at Teignbridge HATOC on 28/02/19).

Due to the high level of demand it is proposed that new requests are prioritised on the basis of traffic management need, sustainability, and community support for inclusion in the 2021/22 programme to ensure resource and monies are used to best effect. To ensure sustainability, schemes should be substantially self-financing, including components of

residents parking and / or pay & display, in line with our policy on new residents parking schemes.

Requests for small changes will continue to be served by our annual HATOC Waiting Restriction Project.

## **7. Options/Alternatives**

The revenue funded programme for 2020/21 optimises the use of the available funding to provide for reactive and clear-up activities, winter maintenance, safety defect repairs and routine and cyclic maintenance activity.

The distribution of funding is based on experience of managing the network, data on asset management, collaboration with the Term Contractor and consultation feedback. It strikes a balance between the competing needs of the network and the needs of the travelling public.

There is a need for in-year flexibility in the funding of work functions to enable the service to respond to unforeseen and extreme events.

## **8. Consultations**

The results of the 2019 National Highways and Transport (NHT) Public Satisfaction Survey reflect public perception of performance, importance and desire for various activities to be funded. Analysis shows that the condition of the highway network and the speed and quality of repairs are important to the public.

A summary of the NHT highway maintenance benchmarking indicator results illustrating public satisfaction levels for highway maintenance and road condition shows an improving satisfaction in all indicators. These results can be found in Appendix III.

The 2019 survey summary shows an improvement in the level of public satisfaction with regards to the highway maintenance service in Devon, which although slightly below the national average, gives an overall average satisfaction of 50% (National average 51%).

It will be interesting to see outcomes from the 2020 survey in the Autumn following the succession of extreme weather events we have experienced in 2019/20 and the impact of the Covid-19 pandemic.

## **9. Financial Considerations**

The cost of this work will be met from the County Council's Revenue Budget and the On-street Parking account.

## **10. Environmental Impact Considerations (Including Climate Change)**

### *General Considerations*

The ability to efficiently transport people and goods around the County underpins Devon's economy and has a direct impact on the quality of our environment. When maintenance work is undertaken it is managed to ensure that the effect on the surrounding environment is kept to a minimum.

In association with the Devon County Council Environment group our term Contractor is supporting the 'life on the verge in Devon project' with a careful and sympathetic approach to

essential annual verge maintenance.

Wet waste storage bays have been constructed at two highway depots to reduce the quantity of unsuitable waste material being transported from highway operations.

As part of the Authority's drive to become carbon neutral by 2030 we are developing a process that will establish average carbon intensity for various key work types which by the end of 2020/21 will inform on our average carbon cost of those works where the carbon usage is high. These figures will then be used to establish the potential for utilising different treatments or to drive through procedures and processes that will reduce our carbon usage.

### *Highways Lighting*

Following the approval of a revised Highway Lighting Policy in 2019, the authority now applies a risk-based approach to managing defects allowing revenue funding to be used more effectively. There continues to be a drive to reduce energy consumption with conversion to LED lighting, and hence a reduction in carbon usage.

### *Traffic Signals*

Modern traffic signals use LED signal heads and a 48v electrical system, which when compared with conventional traffic signals deliver a reduction in power consumption of 70% to 80%. The reduced energy consumption is reflected in reduced levels of carbon emissions. Financially, whilst the cost of electricity has more than doubled, we have been able to hold the electricity bill for traffic signals at about the same level, by upgrading the old signals to energy efficient signals. There are some safety benefits in running the signals on 48v instead of 230v.

### *Winter Service and Emergency Response*

This authority continues to implement national best practice to ensure that winter service is delivered in an effective and cost-efficient way. A few gritters are being replaced each year which enables the latest Euro standards to be adopted in terms of emissions, and new forecasting technology enables more discrimination over the number of routes that require treating on each frosty night.

With regards to emergency response, new vehicles have been introduced with lower emissions by the term maintenance contractor and with fewer gangs on standby more efficient use is made of a more limited resource.

## **11. Equality Considerations**

Where relevant to the decision, the Equality Act 2010 Public Sector Equality Duty requires decision makers to give due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other prohibited conduct;
- Advance equality by encouraging participation, removing disadvantage, taking account of disabilities and meeting people's needs; and
- Foster good relations between people by tackling prejudice and promoting understanding.

Taking account of age, disability, race/ethnicity (includes Gypsies and Travellers), gender and gender identity, religion and belief, sexual orientation, pregnant women/new and breastfeeding mothers, marriage/civil partnership status in coming to a decision, a decision maker may also consider other relevant factors such as caring responsibilities, rural isolation

or socio-economic disadvantage.

This may be achieved, for example, through completing a full Equality Impact Needs Assessment/Impact Assessment or other form of options/project management appraisal that achieves the same objective.

An overview of the impact assessment entitled '2020/21 Budget Impact Assessment' has been circulated separately and is available to all Members of the Council at: <https://www.devon.gov.uk/impact/budget-2020-2021/>.

## **12. Legal Considerations**

The lawful consequences of the recommendations have been considered in the preparation of this report. The reduction in the revenue allocation in previous years has put more pressure on the amount and type of work that will be completed in the capital budget making the service vulnerable under extreme event scenarios. This vulnerability under such circumstances could impact upon the service's ability to adequately react to or keep pace with safety defect repair policy timescales.

The consequence of declining levels of revenue funding will lead to an overall reduction in maintenance standard and potentially result in road closures particularly, but not exclusively, on the minor road part of the network. This offers additional risk to the Authority because of the potential for a legal challenge to be raised by local residents and road users over the Authority's failure in its duty to maintain the highway. There is also a potential, because of reductions in service standards and the inevitable increase in user dissatisfaction and complaints, that the Authority could also see an increase in challenges arising under Section 56 of the Highways Act 1980.

## **13. Risk Management Considerations**

The proposals contained in this report have been assessed and all reasonable actions are taken to safeguard the Council's position.

Where risks have been identified such as the public liability risk associated with compliance with Section 41 of the Highways Act 1980 (the duty to maintain the highway and the duty to ensure, so far as is reasonably practicable that safe passage along a highway is not endangered by snow and ice) the implications have been taken into account in preparing this report.

Covid-19 pandemic presents a significant risk to the authority and an extended lockdown period raises uncertainty on whether a full programme of maintenance can be delivered in 2020/21. With works currently limited to essential safety works and to limited sites where social distancing can be adhered to the backlog of general maintenance works continues to increase and will challenge the services ability to deliver all of this outstanding work before the end of the year.

Progress will be regularly monitored to ensure that critical highway functions and duties are well managed and delivered safely. Any increased costs and loss of income associated with Covid 19 will be captured and any subsequent impact on budget will be identified and adjustments considered.

#### 14. Public Health Impact

The cumulative reduction in budgets could have an impact on public health with reduced maintenance effecting sustainable travel alternatives, and potentially more injuries resulting from crashes, trips and falls, however the recommended approach limits this risk, by targeting investment.

#### 15. Reason for Recommendation/Conclusion

Highway and Traffic services ensure the availability and preservation of a safe and functional highway network which support the economy of the County and region. A key strategic element for the Service, in the current financial climate, is to slow down the rate at which the asset will deteriorate by focusing on the review of service levels, specifications, system and processes. Nevertheless, insufficient budgets, either capital or revenue, will impinge on the standards of maintenance across the network and are almost certain to increase the rate of deterioration.

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#### Electoral Divisions: All

Cabinet Member for Highway Management: Councillor Stuart Hughes

Local Government Act 1972: List of Background Papers

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Background Paper	Date	File Reference
Impact Assessment	January 2020	<a href="https://www.devon.gov.uk/impact/budget-2020-2021/">https://www.devon.gov.uk/impact/budget-2020-2021/</a>

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**County Roads Highway Maintenance Budget Allocation 2020-21**

<b>Function Narrative</b>	<b>2020/21 Budget Allocation £</b>
Cyclic Maintenance** (Includes £2.2 million OSP Funding)	6,855,000
Highways Lighting	4,477,000
Public Rights of Way	612,000
Retaining Walls & Bridges	528,000
Routine Maintenance*	3,070,000
Safety Reaction	6,618,000
Winter and Emergencies	3,885,000
Other Highways	34,000
<b>Total</b>	<b>26,079,000</b>

\* Routine maintenance includes:

- cycle routes
- drainage
- fencing
- traffic signs
- roadmarkings
- traffic signals

\*\* Cyclic maintenance includes:

- grass cutting
- weed treatment
- siding & watertabling
- hedge & tree maintenance
- gully emptying

**Appendix II  
To HIW/20/20**

**On-street Parking Account (OSP) 2020/21**

<b><u>Function Narrative</u></b>	<b>2020/21 Budget Allocation £</b>
TCS: Bus, Rail, and Community Transport Support	2,411,000
CPE road signs & road markings	225,000
Traffic Management Plans	25,000
Cyclical Maintenance for the purposes of Environmental Improvement	2,200,000
Traffic and Parking IT Systems	30,000
Safety Camera Partnership	10,000
Real Time passenger information	25,000
Variable Message Signs	10,000
Road Safety Improvements - Reactive	50,000
Park & Ride business rates / minor site maintenance	110,000
Country Parks	219,000
<b>Total Other Expenditure</b>	<b>5,315,000</b>

TCS - Transport Co-ordination Service  
CPE - Civil Parking Enforcement

2019 National Highways and Transport (NHT) Public Satisfaction Survey  
Year on Year Performance for Key Benchmarking Indicators



Key Benchmarking Indicators (KBIs)

