

County Road Highway Maintenance Revenue Budget and On-street Parking Account 2016/17

Report of the Head of Highways, Capital 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 2016/17 be approved as detailed in Appendix I;**
- (b) authority to amend the allocations between different work types to maintain overall the budget within the total allocation and to maximise the impact of the maintenance programme be delegated to the Head of Highways, Capital Development and Waste;**
- (c) the programme funded from the On-street Parking Account for 2016/17 as set out in Appendix II be approved.**

1. Background

This report recommends the allocation of revenue highway maintenance funding for 2016/17 by maintenance function. In addition 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.

Revenue funding for highway maintenance provides for the funding of reactive repairs and routine/cyclic maintenance.

The demand for reactive revenue funded highway maintenance is affected by the amount of capital investment in the highway asset. The need for structural repair of the network has been assessed using an asset management, data led approach. This shows that the level of Capital Funding currently available is not enough to prevent part of the network, particularly lower category rural roads and estate roads, from continuing to deteriorate. The result of this is that expenditure on reactive and safety related maintenance can be volatile, especially during and after severe weather events.

The year on year reduction in revenue funding for highway maintenance has led to the development of the current strategy; to drive efficiency in the delivery of the service, manage demand and enable community self-help.

Highway maintenance policies are being evolved to a more risk based approach. This means that increasingly, in considering the required investment in a maintenance activity, the likelihood of severe inconvenience or injury is factored in.

Approval of the Capital funded Highway Structural Maintenance and Bridge Assessment and Strengthening Programme for 2016/17 is dealt with in a separate report. (Ref: HCW/16/31)

2. Introduction

As the local highway authority, Devon has the duty to maintain a road network of 12,850 kilometres comprising:

970km principal (A) roads
660km non-principal (B) roads
4,510km non-principal (C) roads
6,710km unclassified roads

There are basically three types of maintenance works undertaken:

- (a) Reactive repairs such as pot-hole filling, dealing with flooding, replacing road signs and markings, clearing overhanging vegetation and the like, which, if neglected, would pose a potential danger to road users. Additionally during the winter period precautionary salting and snow clearance are carried out as needed.
- (b) Routine or cyclic maintenance such as gully emptying, grass cutting, cleaning and clearing of drainage pipes, ducts and channels and the like, mostly carried out to a defined frequency.
- (c) Planned, programmed or structural maintenance such as resurfacing, reconstruction, surface treatments, which is aimed at keeping roads structurally sound and reducing long term maintenance costs. This work is largely funded from the Capital budget.

This report deals with the funding of reactive repairs and routine/cyclic maintenance.

Within the County Council target revenue budget for 2016/17 the highway maintenance base budget has been set at £26,975,000. This figure includes an extra £1 million from the £8.4 rural and other grants funding approved by Cabinet on 12 February 2016. This curtails the reductions originally planned and will be used to support emergency response work; enhance routine maintenance of drainage systems; and enhance surface patching treatment to address areas with high frequency pothole problems.

The budget is made up as follows:

Road Maintenance	£15,733,000
Street Lighting	£4,446,000
Winter Maintenance, Emergencies & Depots	£6,796,000
Total Revenue Budget	£26,975,000

The service is under extreme pressure to deal with the impacts of historic Capital underfunding of highway structural maintenance and the effects of severe winter weather such as prolonged cold periods and flooding events, in recent years. Progress towards providing resilience across the whole of the network is proving to be very challenging, as evidenced by high numbers of potholes and recurring flooding related issues. This will remain a significant issue for the service in the foreseeable future.

3. Strategy and Analysis

The strategy of Devon Highways is to:

- drive efficiency in the planning, preparation and execution of works programmes,
- enable Devon communities to help themselves thus allowing them to carry out some highway work where it is safe to do so,
- manage expectation and demand for highway services,
- deliver a programme of preventative maintenance based on sound asset

- management principles to hold the condition of as much of the network as possible,
- deliver a focussed programme on a local resilience network,
- agree with communities roads for planned decline (the lowest category roads),
- identify options for stopping-up or reduced levels of service of some roads.

The above strategy has been used in deciding highway revenue budget savings for 2016/17.

Some savings have been made through efficiency gains. Other savings are based on adjusting levels of service.

The service has developed a range of community self-help schemes including the Snow Warden Scheme, Community Self-help (for individual projects), the Parish Partnership Self-Help schemes and the Road Warden Scheme. These schemes enable people to support, organise and carry out work on the highway that is a local priority but which cannot be provided as part of the core service delivered by the County Council, due to budget constraints. An allocation of £10,000 has been made from within the cyclic maintenance element of the highway revenue budget to support community self-help initiatives. It will for example allow for the purchase of equipment and materials.

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.

The overall reduction proposed for 2016/17 compared to 2015/16 is £1,180,000. This follows successive annual revenue reductions leading to a compounding of the effect on the highway network and does not account for unavoidable inflationary cost increases. Inflation has had to be added to some essential functions such as winter maintenance to sustain the level of service provided to deliver the current winter policy and this will affect delivery capability on some of the other work functions.

Specific proposals for revenue budget reductions are as follows:

Safety Defects: The budget is to fund the current level of service. It reflects reduced works costs due to improvements in methods of working. The safety inspection regime is undergoing a review and will be the subject of further reports to Cabinet. The review may lead to policy changes to enable better targeting of funding for safety defect repairs.

Street Lighting: The budget is for a reduction in planned work funded from this budget and a reduction in energy costs secured through a collaborative approach to energy procurement

Emergency Works: The budget reflects the cost outturn in 2015/16.

Bridge Works: The budget is for a reduction of planned routine structural maintenance works.

Hedge and Tree Maintenance: The budget reflects the cost outturn in 2015/16 on potentially dangerous trees.

Fencing: The budget allows for work on boundary fencing limited to safety issues.

Patching: The budget allows for reduced reactive patching work. This is offset by using other types of planned treatments to repair minor roads damaged by winter weather.

Public Rights of Way: The budget allows for reduced seasonal vegetation cutting.

Incident Reaction: The budget reflects the cost outturn in 2015/16 and an improvement in the recovery of third party damage costs.

Winter Service: The budget allows for reduced resilience of white out fleet i.e. reduction in plant available to respond to snow events. We have experienced long periods of cold weather, but not large snow falls.

5. On-Street Parking Account

The expenditure of on-street parking income is restricted by legislation.

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 legislation.

The current draw against the On-Street Parking account exceeds annual income by approximately £1million. This is currently afforded due to a surplus accrued over previous years.

Significant additional pressures have been applied to the account such that the rate of expenditure is no longer sustainable. Current projections see the surplus reducing to nil in the next 3 years (a small surplus being retained in the account as a contingency).

Once the surplus hits a minimum level, funding will need to be cut to projects/initiatives currently drawing from the On Street Parking account. In order to prepare for this the Head of Highways, Capital Development and Waste will be working with relevant service leads to ensure transitional measures are taken. It is intended that this will include the setting of indicative three year funding allocations, incorporating phased reductions to funding as opposed to hard final year cuts, so as to enable better planning and any necessary consultations to be undertaken.

Highways and Traffic Orders Committees (HATOC) Waiting Restriction Project

As previously reported to HATOCs, 2016/17 sees the introduction of a managed process to deliver an annual programme of works to deal with the requests for waiting restrictions to be introduced or amended that the County Council regularly receives.

A budget of £100,000 has been allocated and it is recommended that this is divided equally between the 8 HATOC areas for the first year, each being allocated £12,500. If any HATOC has surplus funds these will be shared between other HATOC areas.

It is proposed that in future years the split of monies is informed by the contribution of each HATOC to the On Street Parking account; monies being allocated proportionally based on Pay & Display contribution.

The proposed On-Street Parking Account programme for 2016/17 is shown in Appendix II.

6. Options/Alternatives

The revenue funded programme for 2016/17 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 and consultation feedback. It strikes a balance between the competing needs of the network and the needs of the travelling public and compliance with the statutory duty to maintain the highway.

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.

7. Consultations

The results of the 2015 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.

The complete survey can be seen at <http://nhtsurvey.econtrack.com>

A summary of the results illustrating condition of road surfaces since 2009 is shown at Appendix III. The survey shows that the level satisfaction with the condition of the highway in Devon is low at 36%. Although this is an improvement on the 2014 results (30%) the longer term trend has been one of reduced level of public satisfaction in the last 6 years. A similar trend is evident in the results for neighbouring authorities in the South West Region.

8. Financial Considerations

The cost of this work will be met from the County Council's Revenue Budget.

9. Sustainability 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 the environment.

When maintenance work is undertaken it is managed to ensure that the effect on the surrounding environment is kept to a minimum. On carriageways, surface treatment and reconstruction work is tightly controlled to achieve long term durability. Recycled materials and secondary aggregates are used whenever possible. When cleaning and other cyclic work is undertaken soil and other material is returned to roadside verges if appropriate.

10. Carbon Impact Considerations

The carbon impact of this highway maintenance programme through the manufacture and laying of materials is likely to be offset by reduced emissions from highway users utilising a better maintained network, and using suitable alternatives such as walking and cycling.

The continued implementation of part-night street lighting and LED replacement programmes contributes to reducing carbon emissions.

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.

A copy of an updated overview of the impact assessments for all service areas has been circulated separately and is available to all Members of the Council at: <https://new.devon.gov.uk/impact/published/budget-setting-201617/> Members will need to consider for the purposes of this item.

This assessment shows that over 75% of those responding felt that major roads should be given priority in the budget decision making and similarly over 80% felt that minor roads should be given a priority.

12. Legal Considerations

The lawful consequences of the recommendations have been considered in the preparation of this report. The reduction in the revenue allocation will put more pressure on the amount and type of work that will be completed in the capital budget. This will lead to an overall reduction in maintenance standard, and potentially result in road closures, particularly on the minor part of the network. This may be legally challenged by local residents and road users.

There is also likely to be an increase in user dissatisfaction and complaints which could lead to challenges to the Authority under Section 56 of the Highways Act.

Following an extreme event, the service may not be able to adequately react to it nor keep pace with safety defect repair policy timescales.

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.

The reduction in this budget has significant implications. Inability to undertake enough planned and general preventative maintenance work will result in an increased depreciation of the highways asset. This will lead to increased deterioration and defects as a consequence.

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.

14. Public Health Impact

The cumulative reduction in budgets could also have an impact on public health with reduced maintenance having an effect on sustainable travel alternatives and potentially more injuries resulting from crashes, trips and falls.

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 to 'sweat the asset'. Nevertheless, reductions and 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.

David Whitton
Head of Highways, Capital Development and Waste

Electoral Divisions: All

Cabinet Member for Highway Management and Flood Prevention: Councillor Stuart Hughes

Strategic Director, Place: Heather Barnes

Local Government Act 1972: List of Background Papers
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Background Paper	Date	File Ref.
None		

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County Roads Highway Maintenance Budget Allocation 2016-17

Function Narrative	Total £
Routine Maintenance*	3,717,312
Cyclic Maintenance**	4,291,722
Retaining Walls & Bridges	733,719
Safety Reaction	6,364,905
Winter and Emergencies	6,796,084
Public Rights of Way	625,258
Street Lighting	4,446,000
<hr/> Total	<hr/> 26,975,000

* Routine maintenance includes:-

- patching
- 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 HCW/16/32**

On Street Parking Account 2016/17

Scheme	Budget Allocation
Public Transport Support	2,411,000
Park and Ride Business Rates	100,000
Stover Country Park & Grand Western Canal	212,000
Grass Cutting	200,000
Civil Parking Restriction Signing and Lining Maintenance	225,000
Route reviews and improvements to road signs and lines	100,000
Exeter Residents Parking Scheme (Carried over from 15/16)	249,000
Traffic Management Plans	100,000
HATOC Waiting Restriction Project	100,000
Speed Management	60,000
CPE Schemes & Maintenance Staffing Costs	339,000
IT costs relating to Parking and Traffic Management programmes	20,000
Support to Safety Camera Partnership	10,000
Real Time Passenger Information	78,000
Variable message signs - maintenance of	10,000
Special events , coning and signing	20,000
Disabled Bays	20,000
TOTAL	4,254,000

NATIONAL HIGHWAYS & TRANSPORT NETWORK HIGHWAY MAINTENANCE BENCHMARKING INDICATOR RESULTS For HMBI 01 Condition of Road Surfaces

