

Highways Maintenance Capital Programme

To: Highways and Transport Committee

Meeting Date: 5th March 2024

From: Executive Director for Place and Sustainability

Electoral division(s): All

Key decision: Yes

Forward Plan ref: 2024/043

Executive Summary: This report provides an overview of the capital programme for highways maintenance schemes for 24/25 and 25/26 totalling £48.7 and £46.4 respectively as set out in 3.10 of this report. It outlines the importance of having effective forward planning and provides a summary of the sources of funding and the principles upon which programmes of schemes have been developed.

The report seeks approval of the proposed programme of work for 24/25 and 25/26 to be funded from the core capital funding that is made available for highways maintenance from Central Government. Appendix two to the report detail the proposed programmes of schemes for the following three years, for the Committee's consideration. This will inform the business planning processes for future years.

In addition to the funding from Central Government, the Council has approved £40m of investment in highways investment. Appendix Three of the report therefore sets out the themes and associated schemes to be funded by this additional capital investment that was approved by Full Council on 13 February.

The report provides the required detail of how the Council is planning to utilise the additional funding allocated for highways maintenance under the Network North initiative from which council received £2.3m of grant funding for 23/24, and 24/25.

The report seeks delegated authority to the Executive Director of Place and Sustainability, in consultation with the Chair and Vice Chair of this committee to finalise the detailed allocation of the overall programme, enter into grant funding agreements and to undertake the required procurement and contracting activity.

Recommendations:

The Committee is recommended to:

- a) Approve the 2-year programme of highway maintenance capital schemes 2024-2026 as outlined at Appendix One.
- b) Note the indicative highway maintenance capital programme for the following 3 to 5 years 2026-2029 as outlined at Appendix Two.
- c) Approve the indicative programme for the use of the additional £40m investment made by the Council in highways maintenance as outlined at Appendix Three.
- d) Delegate Authority to the Executive Director, Place and Sustainability, in consultation with the Chair and Vice Chair of the Highways and Transport Committee, to finalise the detailed allocations and priorities for the highways capital maintenance programme, in accordance with the Authority's approved asset management policies.
- e) Delegate authority to the Executive Director, Place and Sustainability, in consultation with the Chair and Vice Chair of the Highways and Transport Committee, to commission the delivery of the highway maintenance capital programme through existing contracts that have been formally procured.
- f) Delegate authority to the Executive Director Place and Sustainability, in consultation with the Chair and Vice Chair of the Highways and Transport Committee, to procure and then award contracts and any other associated legal agreements or documents for the delivery of the elements of the highway maintenance capital programme that are not delivered via existing contracts.
- g) Delegate authority to the Executive Director Place and Sustainability, in consultation with the Chair and Vice Chair of the Highways and Transport Committee and the Section 151 Officer, to enter into Grant Funding Agreements with Cambridgeshire and Peterborough Combined Authority where these agreements are associated with the delivery of the highway maintenance capital programme.

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1. Creating a greener, fairer and more caring Cambridgeshire

- 1.1 This report relates to the Council's Ambition 1: Net zero carbon emissions for Cambridgeshire by 2045, and our communities and natural environment are supported to adapt and thrive as the climate changes.

The asset management approach to highway maintenance is the basis for the formulation of these programmes of work. This approach is predicated upon preventative maintenance treatments being applied to highways at the appropriate points in their lifecycles. Such preventative maintenance minimises the need for deeper, more expensive treatments to be applied at later dates.

It is these deeper treatments that are the most environmentally harmful since they require greater use of materials (including virgin aggregates) and associated transport. These carbon emissions are exacerbated by road users having to travel further via diversion routes and having to wait at traffic control, such as traffic signals.

Given the above, the over-arching principles that inform these programmes of work are a key factor in minimising the environmental effects and carbon footprint of the highways maintenance service.

The Council is developing a net zero carbon strategy for the highways maintenance service and the outcomes of this work will influence the formulation of future programmes of work.

- 1.2 This report also relates to Ambition 2: Travel across the county is safer and more environmentally sustainable.

The programmes of work are formulated considering objective condition data and other factors, including accident statistics. The provision and maintenance of a safe highway network is a key objective of this report and the wider highways maintenance service.

The programmes include works to some of the county's peat soil affected roads. These roads were the subject of a report to this committee at its meeting held 23rd January 2024. Works to these roads will play an important role in keeping this challenging part of the county's highway network safe.

- 1.3 This report is also relevant to Ambition 6: Places and communities prosper because they have a resilient and inclusive economy, access to good quality public services and social justice is prioritised.

A properly maintained highway network is a key enabler for the transport of goods and passengers across the county and beyond. This is fundamental to the county developing and retaining a resilient economy.

2. Background

- 2.1 This report seeks the committee's approval for the highway maintenance capital programme for the next 2 years (2024/25 and 2025/26). This is provided as Appendix One to this report.

- 2.2 The following 3-to-5-year programmes (2026/27 - 2028/29) for various asset groups are set out in Appendix Two, to enable improved forward planning of highway capital programme delivery. This is an indicative list of those works we have identified as being a priority based upon our latest asset condition intelligence. The list will become more detailed and refined as we progress. We will update this indicative list based on our latest condition surveys each year.
- 2.3 Appendix Three to this report sets out the indicative themes and associated schemes for the use of the additional investment made by the Council in highways maintenance. This is £20 million for each of the years 2024-25 and 2025-26. Schemes within each of the appendices will be prioritised in accordance with the authority's highway asset management policies.
- 2.4 The key outcomes will be forward visibility of programmes of highways maintenance capital schemes and programmes of schemes that align with the available funding sources and the Council's business plan and ambitions.
- 2.5 A key outcome of the works funded by the additional investment will be a visibly improved highway network and a better experience for road users, customers, and residents. For example, work will include significant improvements to road markings, more frequent emptying of roadside drainage gullies and vastly increased programmes of carriageway and footway repairs. The increased investment in carriageway surfacing will be key in maintaining the integrity of the network, arresting deterioration, and preventing the formation of potholes.

3. Main Issues

- 3.1 The County Council has approved policies setting out its asset management approach to the maintenance of the highways for which it is responsible. This approach is predicated upon a long-term, preventative strategy for highways maintenance which makes best use of the capital funds available to the Authority.
- 3.2 The programme of capital schemes is developed by officers using objective condition data, together with assessments of the rates of deterioration of highways assets. Whilst objective condition data is the primary arbiter, other factors are considered when developing the forward programme of schemes. Such factors include collision records, third party claims, local knowledge, and reports from councillors and the public.
- 3.3 The indicative programmes have been informed by condition data. Before finalising the detailed programmes, engagement will be undertaken with County Council members and town and parish councils.
- 3.4 A key part of the development of the programme is aligning the location and timing of schemes with the needs of communities. Schemes are tailored to suit different sections of communities where possible, seeking to ensure that a well-maintained and serviceable network is available to all classes of users.
- 3.5 The resultant programme of schemes is designed to apply the right maintenance treatments to assets, at the appropriate points in their life cycles. Such a preventative approach means that maintenance treatments are timed to prevent assets deteriorating further and then requiring much more expensive, environmentally damaging treatments at a

later date. The programme is not focussed on a “worst first” basis. The preventative approach can lead to schemes being undertaken which appear counter-intuitive and programmes that do not allocate funding on a geographical basis.

- 3.6 The County Council receives its base capital funding for highways maintenance from the Department for Transport, via the Combined Authority. There are three main funding streams, which are anticipated to provide £18.6 million to the Council in year 2024/25 (the Business Plan assumes the previous level of grant for 2024/25 and onwards, since the 2024/25 grant allocations have not yet been announced). The Highways Maintenance Block amount is calculated via a national formula. The Incentive Fund amount is dependent upon a self-assessment of our Highways Asset Management Approach. The Pothole Action Fund is distributed based upon the formula used to allocate the block funding. Cambridgeshire County Council is in the highest incentive funding band: Band 3. This is expected to provide £2,082,000 of capital funding for Highways Maintenance in year 2024/25.
- 3.7 Authorities are assessed for Incentive Funding based upon their responses to a broad range of questions regarding highways asset management. Government assesses these responses and places authorities within one of three bands. To achieve maximum funding, an authority must be placed within Band 3. The Council has previously achieved Band 3 status. A key component of this assessment process to date has been that authorities need to demonstrate that they have a forward programme of capital schemes and that this programme has been developed based upon asset management principles. To help demonstrate the linkage of the programme of schemes to the Authority’s asset management policies, the proposed programme will be incorporated into the approved Highways Operational Standards document as an appendix to that document, subject to approval of the programme by this committee. The most recent assessment of the Authority’s Incentive Fund status was undertaken in 2022/23. Officers await an update from government regarding future questionnaires and any possible changes to the process.
- 3.8 In October 2023 the Government announced additional capital funding for highway maintenance. It is anticipated that Cambridgeshire County Council will receive £2.3 million for each of the years 2023-24 and 2024-25. The Council has an obligation to report to government showing how it has used these funds. The use of these funds for year 2024-25 is set out in Appendix One to this report. The funds were used in 2023-24 as follows:
- £400,000 for drainage improvements to mitigate flooding and damage to road surfaces.
 - £300,00 for carriageway surface treatments, such as surface dressing.

The remaining funds will be used in year 2024/25, as set out in Appendix One to this report.

- 3.9 Further to the Financial Monitoring Report put to this committee at its meeting held on 12th July 2022, the Authority has received £24.75 million from National Highways for the maintenance of the former A14, which was handed over to the Council via the de-trunking process. The appendices to this report reflect the use of these funds, as set out in the Business Plan.
- 3.10 The table below summarises the uses of funding sources, with further details being provided in the appendices to this report:

Funding (£000's)			Expenditure (£000's)			
DfT funding, borrowing and revenue contribution	2024/25	2025/26		2024/25	2025/26	
DfT grants	18,622	18,622	Includes; <ul style="list-style-type: none"> • Carriageway and Footpath/cycleway Maintenance • Rights of way • Bridge Strengthening • Traffic Signal Replacement • Smarter Travel Management 			
Prudential borrowing	3,800	300				
Revenue contribution		3,500				
	<u>22,422</u>	<u>22,422</u>			<u>22,422</u>	<u>22,422</u>
Funding (£000's)			Expenditure (£000's)			
Additional funding £2.3m	2024/25	2025/26		2024/25	2025/26	
Funding provided in the Autumn Statement	2300	Tbc	Works to prevent highway flooding, planned carriageway, footway and cycleway patching / maintenance and further works on soil affected roads to maintain safety	2,300	tbc	
Funding (£000's)			Expenditure (£000's)			
A14/A1307 de trunking	2024/25	2025/26		2024/25	2025/26	
Funding provided to carry out maintenance post de trunking	4,000	4,000	High priority lighting, signals, safety fencing and carriageway works being identified in preparation for de trunking	4,000	4,000	
Funding (£000's)			Expenditure (£000's)			
£40m Investment	2024/25	2025/26		2024/25	2025/26	
Further works to enhance existing programmes of work to be delivered through the approved Asset Management approach.						
	<u>20,000</u>	<u>20,000</u>		<u>20,000</u>	<u>20,000</u>	
Grand Total	<u>48,722</u>	<u>46,422</u>		<u>48,722</u>	<u>46,422</u>	

3.11 As noted above, the Authority receives its base capital funding for highways maintenance from government, via the Combined Authority. It might be necessary for the Council to enter into Grant Funding Agreements with the Cambridgeshire and Peterborough Combined Authority to enable this transfer of funds from the Combined Authority to the County Council. Therefore, this report seeks a delegation to the Executive Director Place and Sustainability, in consultation with the Chair and Vice Chair of the Highways and Transport Committee and the Section 151 Officer, to enter into such Grant Funding Agreements.

3.12 The Authority's asset management policies used to develop the programmes of schemes consider the resilience of the county's highway network and the programme has due regard

to managing the impacts of climate change. The proposed 2-year forward programme of schemes continues to show investment in drainage and flood prevention.

- 3.13 Engagement with residents, communities and the travelling public will be undertaken. For larger schemes, this will include individual communications plans, tailored to the intended audience and the type and scale of the schemes.
- 3.14 The proposed programmes of schemes provided as Appendices One, Two and Three reflect the budgetary allocations, as approved by the Council's business planning processes. Schemes are identified in years one and two, whilst those scheduled to be undertaken in years 3, 4 and 5 will be assigned to specific years following further development and co-ordination with other works on the highway network.
- 3.15 Regular updates on the programme delivery will be provided to the Committee through the reports relating budget and performance reporting.
- 3.16 The committee is also asked to delegate authority to the Executive Director, Place and Sustainability, in consultation with the Chair and Vice Chair of this committee, the commissioning of the delivery of the schemes in the capital programme, via those contracts that have been formally procured and include the provision of such works. Such delivery vehicles include the Council's contract with Milestone and the Eastern Highways Alliance Framework Contract. The selection of procurement routes will be based upon the options offering best value for money.
- 3.17 The additional investment made by the Authority in highways maintenance, together with the monies received from National Highways following the de-trunking of the old A14, presents a risk in terms of the capacity to deliver a significantly increased volume of work. To help mitigate these risks, officers have commenced early discussions with delivery partners and their supply chains. Assurance of delivery might require some works to be delivered via other contracts and frameworks to which the Council has access, or by procuring the delivery of packages of schemes outside of current arrangements. Therefore, the Committee is asked to delegate the authority to enter into such contracts to the Executive Director, Place and Sustainability, in consultation with the Chair/Vice Chair of this Committee.

4. Alternative Options Considered

- 4.1 An alternative method for formulating programmes of work is to treat carriageways and other highways assets on a "worst first" basis. This is the antithesis of the asset management approach, in which treatments are applied at the correct points in the lifecycles of assets. The adoption of a "worst first" approach has been rejected since it does not represent value for money in terms of whole life cost and would ultimately lead to unsustainable deterioration of the county's highways. Adoption of the "worst first" approach would inevitably lead to risks to highway users from an increase in potholes and other defects. These defects would require reactive treatments that are funded from revenue budgets. Thus, the adoption of "worst first" principles would place unsustainable strain upon revenue budgets and create increased demand on the highways maintenance service from residents, communities and the travelling public.
- 4.2 The rejection of the "worst first" approach aligns the Council with national best practice for highways asset management and accords with the policies of successive central

governments. It is the adoption of the preventative, asset management approach that has been a key factor in the Council achieving top band status for funding via the Incentive Fund, as set out in paragraphs 3.6 and 3.7.

5. Conclusion and reasons for recommendations

- 5.1 The proposed programmes of work represent the best use of the available capital funds for highways maintenance.
- 5.2 The programmes will provide clarity and forward visibility of schemes, both for service users and the supply chain.

6. Significant Implications

6.1 Finance Implications

The report above sets out details of significant implications in paragraphs 3.6 and 3.7 regarding the Incentive Fund and its relationship to the development of a programme of schemes that is in accordance with asset management principles.

The Capital Highway Maintenance Programme 2024-26 is built on the basis of the 2023/24 grant levels (the Business Plan assumes the same level of grant for 2024/25 and onwards, since the 2024/25 grant allocations have not yet been announced). Should the grant allocations differ significantly from these assumptions, a further report will be brought to this committee seeking approval for amendments to the programme.

6.2 Legal Implications

There are no significant implications for this priority.

6.3 Risk Implications

The total volume of work to be delivered in these programmes poses a challenge in terms of deliverability. Please see paragraph 3.17.

6.4 Equality and Diversity Implications

These programmes have been developed in accordance with approved Council policy, specifically the asset management approach as set out in the Highway Operational Standards (HOS). Key changes to the HOS are subject to Equality Impact Assessments.

The HOS sets out that highway repairs and treatments may be prioritised where those with protected characteristics might be adversely impacted.

These programmes of work contribute to the provision of an inclusive highway network.

6.5 Climate Change and Environment Implications (Key decisions only)

Carbon & Green & House Gas emissions

The asset management approach reduces the carbon emissions associated with highways maintenance. This is achieved through timely interventions, preventing the need for deeper, more carbon intensive treatments to be undertaken at a later date. Please see text under Low Carbon Transport below.

Low Carbon Transport

The programme of schemes is predicated upon timely maintenance interventions, obviating the need for deeper, more disruptive treatments at later dates.

This will mean that users of the county's highway network will face less disruption due to roadworks. Therefore, there will be less need for traffic to undertake additional mileage due to diversion routes and traffic will spend less time waiting at traffic lights and other forms of traffic control. The reduction in anticipated disruption will mean that less carbon is emitted from the affected traffic.

It is the deeper, more expensive treatments that require the greatest use of materials and virgin aggregates. Therefore, the timely interventions advocated in the proposed programme of schemes will minimise the need for construction traffic and its associated emissions.

Air Pollution

Please see comments under Low Carbon Transport. The resultant minimisation of disruption and construction traffic will help reduce air pollution, including particulates from traffic.

Resilience of our services and infrastructure, and supporting vulnerable people to cope with climate change

A well-maintained highway network, that is able to remain available during extreme weather conditions, is an essential contributor to the resilience of the services provided by the Council and other agencies. The highway network is the key conduit for the many of our front-line services to reach communities. These programmes of work contribute to the provision of such a safe, serviceable network of highways.

7. Source Documents

- 7.1 Highways Operational Standards, which can be found at:
[Highway Operational Standards 8 Feb 2024 \(cambridgeshire.gov.uk\)](https://www.cambridgeshire.gov.uk/highway-operational-standards)