



CABINET – 10TH APRIL 2018

ENVIRONMENT AND TRANSPORT 2018/19 HIGHWAYS CAPITAL PROGRAMME AND HIGHWAYS AND TRANSPORTATION WORK PROGRAMME

REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT

PART A

Purpose of the Report

1. The purpose of this report is to seek approval for the Environment and Transport 2018/19 Highways Capital Programme and Highways and Transportation Work Programme, both of which are appended to this report.

Recommendations

2. It is recommended that:
 - (a) The Environment and Transport 2018/19 Highways Capital Programme and the Highways and Transportation Work Programme, attached as Appendix A and B to this report, be approved;
 - (b) The Director of Environment and Transport following consultation with the Cabinet Lead Member and the Director of Corporate Resources, be authorised to make such minor amendments to the 2018/19 Highways Capital Programme and Highways and Transportation Work Programme as is considered necessary.

Reasons for Recommendations

3. To approve the Environment and Transport Department's Highways Capital Programme and Highways and Transportation Work Programme for the 2018/19 financial year and to enable these to be published in April 2018.
4. Both programmes have been prepared on the basis of current information available and may need to be revised to respond to changing circumstances and to ensure optimal use of resources throughout the financial year.

Timetable for Decisions (including Scrutiny)

5. This report will be considered by the Environment and Transport Overview and Scrutiny Committee on 6 April 2018 and its comments will be reported to the Cabinet.

6. Subject to the Cabinet's approval, the Environment and Transport 2018/19 Highways Capital Programme and Highways and Transportation Work Programme will be published in April 2018.

Policy Framework and Previous Decisions

7. The 2017/18 Highways Capital Programme was approved by the Cabinet at its meeting in March 2017. The Department's key highways related plans and strategies have been taken into account when developing the 2018/19 Programme and the Highways and Transportation Work Programme. These include:
- The Local Transport Plan (2011 to 2026) – adopted by the County Council 23 March 2011;
 - The Highway Asset Management Policy and Highway Asset Management Strategy – approved by the Cabinet 23 June 2017;
 - The Highways Infrastructure Asset Management Plan (HIAMP) – approved by the Cabinet 15 September 2017;
 - The Network Management Plan (NMP) (2014–2026) – approved by the Cabinet 1 April 2014.
8. Consideration was also given to the Medium Term Financial Strategy (MTFS) 2018/19 - 2021/22, and the County Council's Strategic Plan 2018 – 2022, which were approved by the County Council on 21 February 2018 and 6 December 2017 respectively.

Resource Implications

9. The actions outlined in the Highways and Transportation Work Programme will be funded from a variety of sources, including capital and revenue budgets and external sources of funding, such as the Government's Single Local Growth Fund. Further detail on the financial context is given in Part B of this report below.
10. The Highways and Transportation Work Programme is resource intensive, both in staff and financial terms. Given this and the significant financial challenges that the County Council continues to face, there is little opportunity under the current resourcing situation for the Department to take on other commitments without affecting its ability to deliver the actions and schemes set out in the 2018/19 Highways Capital Programme and Highways and Transportation Work Programme.
11. The Director of Corporate Resources and the Director of Law and Governance have been consulted on this report.

Circulation under the Local Issues Alert Procedure

None

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PART B

Background

Policy and Strategy

12. The 2018/19 Highways Capital Programme and Highways and Transportation Work Programme reflects the Environment and Transport Department's current key highway service related plans and strategies as detailed in Part A above, whilst also taking account of the Council's future priorities and the Leicester and Leicestershire Enterprise Partnership's (LLEP) Strategic Economic Plan.
13. These plans and strategies will remain in place for the foreseeable future. However, those developed and owned by the County Council will continue to be assessed and reviewed where appropriate to ensure that they remain fit for purpose. It is likely therefore that elements of these documents and in some cases their entirety will be superseded. Similarly the 2018/19 Highways Capital Programme and the Highways and Transportation Work Programme will be updated to reflect any such changes and the Cabinet's approval will be sought where appropriate.

Financial context

14. The County Council is facing significant financial, demographic and service demand challenges. It needs to deliver savings of £50m over the next four financial years (2018/19 to 2021/22), with £17.6m savings to be made in 2018/19. This is a challenging task especially given that savings of £178m have already been delivered over the last eight years. In addition, over the period of the MTFS, growth of £41.2m is required to meet demand and cost pressures with £14.3m required in 2018/19.
15. In the Environment and Transport Department, the revenue budget for 2018/19 is £63.3m, with £7.1m savings to be delivered over the next four years.
16. The main four-year highway service related savings are:
 - a revised approach to highways maintenance and asset management;
 - a review of contracts;
 - service reviews;
 - a review of parking restrictions in town centres, effect on residents and impact of yellow lines.
17. Reducing budgets and changes in national guidance have necessitated the change in the Council's approach to highway asset management and maintenance. Through the revised approach, in 2018/19 a further £0.6m of ongoing savings need to be made by the Department on top of over £5m of ongoing savings made since 2014/15.
18. The framework for this change of approach is set out in the recently approved Asset Management Policy and Asset Management Strategy (AMP and AMS) and the Highway Infrastructure Asset Management Plan (HIAMP), which adopt a 'risk based' approach to asset management. Essentially, this means the Council will need to look after its highway assets in a way that is more reflective of the relative

risks to road users (i.e. particular risk of injury or worse) posed by its condition.

19. Going forward, officers will be looking at how this is likely to affect the balance of future years' spend across all asset management and maintenance activities. This will include levels of funding for reactive maintenance versus preventative maintenance, and funding relating to the appearance of the assets (e.g. grass cutting beyond that required in respect of road safety) versus the condition of assets. It is important that the appropriate balance is achieved to seek to maintain highway assets to the best overall condition possible and to minimise possible future legal liabilities on the County Council (e.g. arising from road user incidents) whilst working within ongoing budgetary pressures and responding to increasing travel demand arising from growth. As a result, future asset management programmes could look very different.

20. The Environment and Transport Department's capital programme totals £114.5 m over the four years 2018-22. This capital functioning comes from a number of sources such as various government competitive funding streams, the County Council's capital budget and developer contributions. The main areas of highway service related spend are listed below:
 - ensuring transport assets such as roads and footways are well managed (£48.9m)
 - Anstey Lane scheme and M1 Junction 23 scheme (£34.8m)
 - delivery of a programme of advanced design works to support future major transport schemes and bids to the Department for Transport (DfT) and Leicester and Leicestershire Enterprise Partnership (LLEP) for funding (£5.2m)
 - investment in new vehicles to replace aged vehicles and reduce running costs (£6.8m)
 - junction, traffic management, signage, walking and cycling improvements in Hinckley Area Project Zone 4 (£5m)
 - planning and design works for Melton Mowbray Distributor Road to take it to shovel ready status (£4m)
 - completion of street lighting LED installation programme, central management system and de-illumination of street signs (£5m)*

** In the 2017-21 MTFs, £5m of the funding for this work was programmed to be spent in 2018/19 although this has already been spent in 2017/18 (because the scheme was accelerated) along with the £9m that was allocated for that year. The £5m is shown in the 2018/19 programme to indicate the funds were originally allocated.*
 - completion of Zouch Bridge replacement (£1.8m);

2018/19 Highways Capital Programme and Highways and Transportation Work Programme

21. The draft 2018/19 Highways Capital Programme and Highways and Transportation Work Programme have been prepared using the best and most current information available and will be revised as necessary to ensure value for money and to respond to changing circumstances.
22. The 2018/19 Highways Capital Programme (attached as Appendix A) contains a list of schemes for each of the highways programmes.
23. The 2018/19 Highways and Transportation Work Programme (attached as Appendix B) contains actions that may take place over a number of years or which may not be implemented until beyond 2018/19.
24. Key actions outlined in the 2018/19 Highways and Transportation Work Programme include:
 - a) the continued development and delivery of schemes to support growth, including the Strategic Economic Plan (SEP), Strategic Growth Plan (SGP) and Local Plans;
 - b) maximising the benefits of partnership working, utilising external funding;
 - c) making the best use of available funds and seeking to generate new income streams;
 - d) delivery of the programme of section 106 (developer-funded) schemes;
 - e) further development of a robust evidence base to support the delivery of current and future highways and transport infrastructure.

Consultation

25. Individual schemes and projects will continue to be subject to further consultation with local members and the public and reports will be presented to members as appropriate.
26. Consultations on the various service reviews will take place at an appropriate point in their development.

Background Papers

Report to the Environment and Transport Overview and Scrutiny Committee on 18 January 2018 – Medium Term Financial Strategy 2018/19 to 2021/22 and minutes of that meeting
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1044andMId=5326andVer=4>

Report to the County Council on 21 February 2018 - Medium Term Financial Strategy 2018/19 -2021/22
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=134andMId=5105andVer>

Report to the Cabinet on 10 March 2017 - Environment and Transport Interim Commissioning Strategy 2017/18 Refresh

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=4859>

Leicestershire County Council's Local Transport Plan 3 (LTP3)

https://www.leicestershire.gov.uk/sites/default/files/field/pdf/2017/1/9/Local_transport_plan.pdf

Report to the Cabinet 23 June 2017 - Highway Asset Management Policy and Highway Asset Management Strategy

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135andMId=5120andVer=4>

Report to the Cabinet 15 September 2017 - Highways Infrastructure Asset Management Plan (HIAMP)

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135andMId=4863andVer=4>

Report to the Cabinet on 1 April 2014 - Network Management Plan

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135andMId=3989andVer=4>

Report to the County Council on 23 March 2011 – Final Draft Local Transport Plan (LTP3) Proposals

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=134&MId=3057>

Appendices

Appendix A –Environment and Transport 2018/19 Highways Capital Programme

Appendix B –Environment and Transport 2018/19 Highways and Transportation Work Programme

Equality and Human Rights Implications

27. There are no equality or human rights implications arising directly from the recommendations in this report. It has not been necessary to undertake a detailed equality assessment on the 2018/19 Highways Capital Programme and Highways and Transportation Work Programme.
28. Equality and Human Rights Impact Assessments (EHRIA) will, however, be undertaken, as appropriate, during the review of any appropriate departmental strategies, prior to final decisions being made. This will ensure that any new, proposed or significantly changed policies, practices, procedures, functions or services are assessed for equality and human rights implications.
29. In addition, work undertaken on individual projects contained within the 2018/19 Highways Capital Programme and Highways and Transportation Work Programme, such as MTFS service reviews, will include EHRIs when appropriate.

Environmental Implications

30. No detailed environmental assessment has been undertaken on the 2018/19 Highways Capital Programme and Highways and Transportation Work Programme. However, the County Council will assess the environmental implications of relevant new policies and schemes at appropriate points during their development.

Partnership Working and Associated Issues

31. Working with key partners, such as the Leicester and Leicestershire Enterprise Partnership (LEEP), Leicester City Council, district councils, Highways England, Network Rail, developers and Midlands Connect will be increasingly important in seeking to secure additional funding to deliver future transport measures and infrastructure.

Risk Assessment

32. The 2018/19 Highways Capital Programme and Highways and Transportation Work Programme have been risk assessed as part of a wider risk assessment of the Environment and Transport Department's business planning process.
33. The delivery of both Programmes is supported by the Department's business planning process and risk assessments will be undertaken for individual teams, schemes and initiatives as appropriate.