



Cabinet Meeting on Wednesday 17 April 2019

Highways and Transport Capital Programme 2019/20

Cllr Helen Fisher, Cabinet Member for Highways and Transport said,

“Good roads and transport schemes are hugely important to this council, to residents and to businesses, not just for getting to where we need to be, but also for underpinning a flourishing economy.

“That’s why this year we will once again be investing taxpayers’ money where it is needed most, including for the third year an extra £5m to help tackle potholes.

“Each county councillor has also been allocated an extra £20,000 to prioritise local highways improvements and I look forward to see how this extra investment will benefit local communities.”

Report Summary

Approval of the Highways and Transport capital block grant investment programme for 2019/20. The Highways and Transport capital grant block funding is made up of Highway Maintenance (including Bridges) and Integrated Transport improvements. They are not ring-fenced and precise allocation can be determined locally.

Additional capital funding for Highways and Transport comes from other government bid grants, the County Council’s own investment decisions, contributions from developers and other stakeholders. Major schemes like the A50 Phase A, Stafford Western Access Route (SWAR) and Lichfield Southern Bypass are funded and monitored separately.

Recommendations

I recommend that:

- a. Cabinet considers the report and approves the Highways and Transport capital investment proposal set out in the supporting appendices.
- b. The Commissioner for Highways and the Built County monitors progress and makes any necessary in-year alterations in agreement with the Cabinet Member for Highways and Transportation.

Local Members Interest
N/A

Cabinet – Wednesday 17 April 2019

Highways and Transport Capital Programme 2019/20

Recommendations of the Cabinet Member for Highways and Transport:

I recommend that:

- a. Cabinet considers the report and approves the Highways and Transport capital investment proposal set out in the supporting appendices.
- b. The Commissioner for Highways and the Built County monitors progress and makes any necessary in-year alterations in agreement with the Cabinet Member for Highways and Transportation.

Report of the Director of Economy, Infrastructure and Skills.

Reasons for Recommendations:

1. It is widely recognised that a well maintained, functional built environment is an essential ingredient to a prosperous, safe, well-connected and sustainable society, which encourages inward investment and promotes healthy lifestyles and social cohesion. Staffordshire's Highway Infrastructure Asset Management Plan (HIAMP) and District Integrated Transport Strategies ensure capital spending is clearly aligned to corporate priorities and delivers value for money.

Summary

2. The Highways and Transport capital delivery programme is made up of:
 - a. Highway Maintenance (including Bridges)
 - b. Integrated Transport improvements
3. The funding available to deliver the 2019/20 capital programme includes:
 - a. Government Capital Grant Allocation for Maintenance including:
 - i. Highways Maintenance Block – Needs Element
 - ii. Highways Maintenance Block – Incentive Element
 - iii. 2019-20 Pothole Action Fund
 - b. Government Capital Grant Allocation for Integrated Transport
 - c. County Council capital investment
 - d. Section 106 contributions from developers
 - e. Contributions from stakeholders
 - f. Contributions from other Government grants and bids
4. Table 1 provides the profile of the government capital grant allocations for 2019/20. Integrated Transport Block, Maintenance Block – Needs Element and

the Pothole Action Fund are allocated by formula. From 2016/17 an Incentive element of the maintenance block grant is conditional on demonstrating efficient management and delivery.

Table 1: Government Allocated Capital Grant Funding 2019/20

Allocation	19/20 (£'000)
Maintenance Block – Needs element	16,154
Deduction of 5% internal top-slice *	-0.808
Further deduction of £500k in 19/20 *	-0.500
Incentive Element	3,365
Pothole Action Fund (Indicative based on previous years)	0.565
Total Maintenance	18,776
Total Integrated Transport	3,423
Total	22,199

**Maintenance allocation after the 5% plus £500k internal top slice (see note below).*

Note: The Allocations for Highways and Education Block are not ring-fenced and their precise allocation can be determined locally. There are significant areas of County Council activity, such as Economic Development, Waste Management, Libraries etc., which receives no such allocation and the County Council is required to identify alternative sources of funding to undertake any capital projects in these areas. The prime source of such funding has traditionally been capital receipts although the availability has been diminishing in recent years.

For a number of years, Cabinet has agreed that this funding should be enhanced by a 5% top-slice of Highways Maintenance and Education capital resources in order to provide Cabinet with some flexibility and 'headroom' to facilitate projects in other areas. For 2019/20 an additional £500k is being top sliced to aid the MTFS savings.

Highway Maintenance

5. Staffordshire County Council has been a front runner in the development of whole-life-cost Asset Management for highway infrastructure, as advocated by the All Party Parliamentary Group in October 2013. Staffordshire's current Highway Infrastructure Asset Management Plan (HIAMP) was approved by Cabinet in January 2017.
6. Historically, capital maintenance grant falls somewhat short of the threshold required to achieve optimum whole-life-cost management of carriageways and footways. Since 2009/10 a number of actions have been taken to help address this:
 - a. Varying amounts of grant funding have been diverted each year from the integrated transport allocation.
 - b. Between 2009/10 and 2013/14 an extra £50m capital was also invested from the Council's own reserves.

7. The impact of Staffordshire’s HIAMP together with the additional funding from the Council has been significant. The condition of Staffordshire’s road network (proportion where maintenance should be considered) improved by more than 10% between 2009 and 2015, with the improved durability ensuring that the network was better able to withstand the increasing frequency of wet and cold weather that has had a devastating effect on road condition elsewhere across the UK.
8. This added durability then enabled an ongoing reduction in revenue contributions to the capital programme since 2011, in support of the Council’s wider Medium Term Financial Strategy (MTFS). However, in 2016/17 Road Condition data showed deterioration across all classifications. Together with the associated pressure on reactive maintenance operations, reduced public satisfaction levels and increasing trend in 3rd party damage and injury claims the Council invested an additional £5m in capital maintenance during 2017/18 and 2018/19. The latter has subsequently been carried over to ensure the additional DfT funding announced in October 2018 could be spent in accordance with DfT requirements).
9. Road Condition data for 2018/19 continues to show a slight deterioration across all classifications. Following the damage caused by the prolonged 2017/18 winter, the County Council is committing a further £5m towards capital maintenance during 2019/20. Additionally, it is also proposed to divert £1m from the Integrated Transport grant allocation towards capital maintenance during 2019/20.

Table 2: Available Maintenance Budget (2019/20)

Maintenance Budget	(£’000)
Total Maintenance Provision after internal top-slice	18,776
SCC Extra investment (18/19 carry-forward)	5,000
SCC Extra investment (19/20)	5,000
Contribution from Integrated Transport	1,000
Total Available	29,776

10. Appendix A provides the recommended capital maintenance investment strategy for 2019/20. It is based on the knowledge that preventative maintenance offers the most effective use of resources over the asset lifecycle as promoted by DfT.
11. County Council additional funding is allocated to additional patching works to reduce potholes, the formation of potholes and in readiness for increasing preventative maintenance treatments in 2020/21 to help manage the recent proliferation of structural failures occurring on the aging network.
12. For 2019/20, £1.24m (£20k each) is being allocated to Members for their ward priorities that will be programmed for delivery throughout the year. For larger works these can be pooled by Members and/or their £7k added from the Local Member Initiative allocation.

Integrated Transport Improvements

13. The 2019/20 integrated transport programme will help to deliver the eight Integrated Transport Strategies that have been developed for the District/Boroughs. The transport strategies are being reviewed in line with the County Council's new Strategic Plan for 2018 to 2022 which has three interconnected priority outcomes as follows:
- Be able to access more good jobs and feel the benefits of economic growth
 - Be healthier and more independent
 - Feel safer, happier and more supported in and by their community
14. The programme will help to achieve the Stoke-on-Trent and Staffordshire Local Enterprise Partnership (LEP) objectives of creating Competitive Urban Centres and a Connected County. A priority for the LEP up to 2021 is to develop our local transport networks to provide sustainable connections and unlock housing, town centre and employment growth. There is also strong policy support for the delivery of the Integrated Transport Strategies in the District/Borough Council Local Plans.
15. After contributing £1m towards highway structural maintenance, the combined capital funding available for Integrated Transport improvements during 2019/20 is summarised in Table 3. From experience, it is suggested that the Integrated Transport Block should be over-allocated in order to provide contingency for programme slippage that may occur from unforeseen events, including delays in land acquisition and outcome of local consultations. Out of the funding available, it is expected that schemes totalling around **£6.5m** will be delivered through the County Council's Infrastructure+ partnership with Amey.

Table 3: Total 2019/20 Integrated Transport Improvement Funding

Source	Funding (£'000)
Integrated Transport Block Grant	2,423
Integrated Transport Block Grant over-allocation	488
Other capital funding *	
S106 developer contributions	2,205
On-street pay and display and bus lane enforcement revenue	335
County/District/Borough/Parish Councils	2,057
Rail industry and HS2	3,842
TOTAL	11,350

16. Appendix B includes the detailed schedule with descriptions, justifications and an assessment of the contribution each scheme makes towards the three Strategic Plan outcomes.
17. The Integrated Transport Block supports road safety with an overall allocation of £0.697m, including targeted engineering improvements and wet road skidding sites. It supports the devolved Local Member Initiative Divisional Highway Programme (£0.434m) with a further £0.68m allocated to higher value community

liaison schemes recommended through this Member's Programme. Other countywide commitments (excluding road safety) total £0.675m and it is proposed that the remaining funding will help to deliver the wider Integrated Transport Strategies through a package of traffic management, public transport, walking and cycling improvements with a focus on the main urban areas and locations that have accommodated housing / employment growth.

Other Capital Funding

18. As identified in Table 3, a significant level of other capital funding is available in 2019/20 to contribute to the overall programme of transport improvements in Staffordshire.
19. Staffordshire County Council has received an allocation of £2.975m HS2 Phase One Road Safety Fund for the period 2018 to 2026. Applications for release of the funding need to be made to HS2 Limited on a scheme-by-scheme basis over the funding period. The schemes to be funded will benefit communities in Lichfield District that stand to be most affected by HS2 construction traffic. As well as road safety schemes, the Department for Transport encourages use of the fund to support cycling projects. The County Council has drawn down £50,000 to enable the development of a programme in 2019/20. The funding is in addition to the £40 million of HS2 Community and Environment Fund and the Business and Local Economy Fund.
20. Schemes to improve access to rail stations at Kidsgrove, Burton upon Trent, Codsall, Rugeley Town, Lichfield Trent Valley and Tamworth feature in the 2019/20 capital programme and the rail industry is financially contributing to improvements at a number of these stations. In 2019/20, the Access for All funding source is delivering platform access improvements at Kidsgrove and Lichfield, and the National Stations Improvement Programme is delivering bus, cycling and car park improvements at Kidsgrove.
21. The Prosperous Staffordshire Select Committee approved the On-Street Parking Strategy and Forward Programme of Pay and display Parking on 18 January 2019.
22. Other funding opportunities may become available in-year as a consequence of government highway improvement grants or private local developments. Traditionally, new grants most often require a degree of match funding and individual business cases will be developed as these opportunities arise.

List of Appendices:

Appendix A - Proposed Maintenance Investment Strategy 19/20

Appendix B - Proposed Integrated Transport Improvements 19/20

List of Background Documents:

- [Highways Infrastructure Asset Management Plan \(HIAMP\)](#)
- [Cannock Chase District transport strategy](#)

- [East Staffordshire Borough Transport Strategy](#)
- [Lichfield District Transport Strategy](#)
- [Newcastle Borough Transport Strategy](#)
- [South Staffordshire District Transport Strategy](#)
- [Stafford Borough Transport Strategy](#)
- [Staffordshire Moorlands Borough Transport Strategy](#)
- [Tamworth Borough Transport Strategy](#)

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