

Item No.	Classification: Open	Date: 12 January 2015	Decision Taker: Cabinet Member for Regeneration, Planning and Transport
Report title:		Highways Capital Investment Programme 2015/16 – 17/18	
Ward(s) or groups affected:		All	
From:		Strategic Director of Environment and Leisure	

RECOMMENDATIONS

1. That the Cabinet Member for Regeneration, Planning and Transport agrees the Highways investment programme for 2015/16 to 2017/18 and their implementation as set out in the body of the report and the attached appendices.
2. That the Cabinet Member for Regeneration, Planning and Transport agrees that recommendations on investment selections made by Community Councils are implementable subject to approval by the Head of Public Realm.

BACKGROUND INFORMATION

3. Cabinet on 18th March 2014 approved a refreshed 10 year general fund capital programme for 2013/14–2023/24 of £498m. This included an investment in principal roads of £3m and non-principal roads of over £41m.
4. It was agreed to re-profile the previous Non Principal Road programme to bring forward funding of £2m per annum for 2015/16 to 2017/18, adding it to the existing £4m approved for those years. The £2m will be taken from years 2021/22 to 2023/24.
5. At the same Cabinet meeting above it was agreed to introduce a Principal Road resurfacing programme of £1m per year for 3 years.
6. For each of the financial years 2015/6 to 17/18 this equates to £1m and £6m capital receipt funding per year for Principal and Non-Principal Roads respectively.
7. Principal Roads are those generally identified as heavily trafficked with bus routes. Non- principal roads are those which are more residential in nature.
8. In August 2011 and prior to the reduction in the number of Community Councils the then Cabinet Member for Transport, Environment and Recycling committed to the provision of an allocation of £100k (£800k total) to each Community Council for local investment selections in highways surfacing. This is from and not in addition to the available non-principal road funding stream.
9. In June 2012 the number of Community Councils was reduced from 8 to 5. The financial provision for Community Councils has remained at £800k for the subsequent years and divided equally according wards per Community Councils

area. This will remain the case should Community Council numbers change within the allocation period covered in this report

Assets and condition

10. Excluding roads maintained by TfL (Transport for London) Southwark Council is responsible for the maintenance of 17km of principal roads and 323km of non principal roads.
11. Maintainable assets within these roads include carriageways, footways, lighting, non-illuminated street furniture, surface water drainage and grit bins for winter operations.
12. Highway structures maintained by Southwark Council include bridges, underpasses, pumping facilities, subways, retaining walls and the Thames river wall. Southwark Council is also responsible for anti pigeon netting of a number of structures including those owned and maintained by Network Rail.
13. From the available results of inspections and surveys it has been identified that 7% of Principal roads, 3% of all classified (non principal) carriageways, 21% of unclassified carriageways, and 28% of footways are assessed as requiring investment.

Best Practice

14. Current best practice for Highways Infrastructure Asset Management is set out in Department for Transport's Highways Management Efficiency Programme (HMEP). All proposals and programmes contained in this document and appendices are in keeping with best practice and HMEP guidance.

KEY ISSUES FOR CONSIDERATION

Policy implications

Highways Infrastructure Asset Management Plan (HIAMP)

15. A new HIAMP is in preparation and will be brought to the Cabinet member for Regeneration, Planning and Transport in the last quarter of 2014 for review and seeking approach approval along with approval of a consultation programme.
16. Southwark's HIAMP will include a strategic approach that identifies the optimal allocation of resources and management of assets. As well as this the HIAMP and its addendums will set out requirements for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers.

Highways Investment Programme

17. Prevention is better than cure – intervening at the right time and not at the point of collapse will reduce the amount of potholes forming and prevent bigger problems later. It will also significantly reduce the whole life cost of the maintenance of the asset.
18. With the use of a newly developed software package 'Horizons' (See Appendix 1) and with the condition assessments and data captured from mechanical

scanner and visual inspections we have now moved to preparing and selecting an investment programme based on condition and replacement requirements.

19. Officers have selected the sites for the Borough's investment programme on an analytical approach involving various criteria such as condition and local priorities including cycle and bus routes along with the cost of reactive repairs. The methodology for selecting highways surfacing is in Appendix 1 with the roads selected in Appendices 2&3.
20. The Asset Management approach involves the use of a range of targeted permanent repair mechanisms which will elongate the life of the asset at reduced cost compared to the previous 'worst first' maintenance approach.
21. It should be noted that not every public highway's carriageway or footway identified in the programme will be renewed completely. Interventions will range from full depth reconstruction of whole roads through to thin surfacing or lift and relay of only sections of road or footpaths.
22. An expanded explanation of the adopted investment principles are set out in Appendix 4.

Community Council Investment Programme

23. Of the agreed £18m Non-Principal Road investment, £2.4m (£800k per financial year 15/16 -17/18) will be ring fenced to Community Councils to allow for investment selections by them.
24. In allocating this level of funding it will provide a mechanism for residents to identify and prioritise local road and footpath surface concerns through their Community Councils and resolve them.
25. The allocation will be pro-rated by the number of wards in the borough and allocated to the community council containing each ward. The 'split' of the overall allocation is contained in Appendix 5.
26. Investment programme selections will be based on the method agreed at the respective Community Council and will receive ratification through Community Council arrangements. To aid Community Council selections officers will provide support in the selection and timetabling of works process.
27. To enable the forward planning for Ward and Community Council Members and timely ratification of Community Council selections, Officers will consult and provide any requested information with a view to preparing a 3 year (15/16 to 17/18) Community Council selected investment programme.
28. Local investment selections will take place as soon as possible subject to Community Council agenda planning, decision making methodology and approval process.
29. There will be no Community Council investment allocation made from the Principal Road element of capital funding.

Structures Investment Programme

30. A fixed sum of £200k is allocated for investment in highways structures such as bridges and walls. The selection methodology is set out in Appendix 6
31. Additional funding for structures investment is available from the London Bridge Engineering Group (LoBEG). Southwark Council tries annually to access the available funding with distinct improvement projects which meet the funding criteria.

Cycling Network Investment Programme

32. Cycling has become increasingly popular in Southwark due to continued investment in infrastructure, training and education, as well as the delivery of key schemes
33. Southwark Council is working towards its ambitions for cycling and making Southwark the best borough for cycling in the capital. To deliver improvements to make cycling more attractive for all has long been a key objective of the council's transport improvement programme. As part of this, along with this investment programme, we are actively working with TfL and other stakeholders to deliver a number of cycling related schemes in the Borough.
34. The Local Implementation Plan annual submission and delivery plan were closely associated with parallel proposals to help deliver the Mayor's Vision for Cycling. This continues in the new delivery plan, with improvements that will benefit cyclists the common theme.
35. The Council's resurfacing programme provides a welcome opportunity to supplement and enhance delivery of this Council's ambitions for cycling and to make Southwark the best borough for cycling in the capital.

Investment constraints

36. The capital allocation is for Public Highways and thus expenditure is limited to resurfacing of only those roads maintainable at public expense through general fund allocations. Estate Roads are therefore excluded.
37. All works will be undertaken in accordance with the specifications and design in line with the standard palette of materials and will be delivered through the current Highway's term maintenance contract.
38. Expenditure cannot be incurred for improving road junctions, implementing traffic safety schemes and controlled parking zones or similar.

Programme coordination

39. In addition to the highways investment detailed within this report there are other significant capital investment programmes which impact on the public highway.
40. Officers have now strengthened their programme management expertise to reflect the expanded programme. A dedicated Programme Manager with access to the scope and timing of all highway interactive programmes in this 3 year cycle and beyond has been engaged to ensure coordination and to avoid duplication.

41. To support this programme's delivery timetable Officers may as part of the coordination process be required to delay or move forward works in the timetable. This will ensure there is no duplication of site visits, multiple investment funding is synchronised and completed works are not prematurely disturbed.

Design

42. All highway maintenance and improvement project investment schemes will be designed reflecting the requirements of the Southwark Streetscape Design Manual (SSDM).
43. The SSDM specifications reflect the use of design and materials to support all modes of transport with walking and cycling key considerations.

Human Resources implications

44. The planning, programming, supervision and payment for all of the programmes in this report will be managed by the Public Realm Division in conjunction with the new integrated highways supplier Conway Aecom.

Customer implications

45. The 2014 National Highways and Transportation (NHT) public satisfaction survey shows 54% overall satisfaction with highways and transportation services.
46. The NHT survey also shows Southwark Council to be the outstanding performer when measuring the highways maintenance benchmarking indicators of the other 78 participating authorities across England and Scotland.
47. The NHT 2014 survey asked the public amongst a range of questions 'how important they considered a service was' and 'how satisfied they were with that service?' and the following results illustrates the importance of this work to the customer

	How important do you considered a service? (%)	How satisfied are you with that service? (%)	Net Difference (Importance / Satisfaction) (%age points)
Highway Condition	92	49	43
Pavements	94	60	34
Safer Roads	96	57	39

The works set out in the body of this report will impact directly on positively influencing customer satisfaction in these service areas

48. During the implementation of the capital programme, post work customer opinion surveys will be undertaken and results collated and analysed.

49. Site notices and works notification will take place at each road and surrounding area. Notices will include the web address and appropriate contact details. In addition as part of the delivery programme pre and post works project information will be posted to the Councils web pages.

Community impact statement

50. Officers recognise that under the Public Sector Equality Duty public authorities are required to have due regard to the aims of the Equality Act 2010 when making decisions.
51. Understanding the potential impacts on those with protected characteristics and the required mitigation in delivering this programme is recognised as important. Officers will ensure that it is completed through an appropriate impact assessment.
52. There is no specific programme for the installation of dropped kerbs / tactile paving and thus the capital programme is the main funding source for such improvements. As such each scheme will be assessed for accessibility and compliance. Additional crossing ramps and tactile paving will be installed as necessary to assist the disabled and carers with pushchairs.

Sustainability implications

53. All materials excavated from the highway are sent for recycling and footway sub-base and base course materials are incorporated into the recycling regimes of our existing suppliers.
54. Every attempt will be made to minimise noise and disruption during the course of the proposed works. Night and weekend working will only be used where site or Network constraints require this approach. However, this will only be as a last resort and following full consultation with the noise team.

Consultation

55. Where appropriate, stakeholder consultation and engagement will take place prior, during and on completion of works contained in this report.

Risk

56. A risk register will be prepared in advance of the design and implementation of any works. Information included will be the risk, the likely impact and its level and the proposed mitigation.
57. All works will be in accordance with Construction (Design and Management) Regulations (2007)
58. The Council's programme of inspections and condition assessments coupled with this investment in highway works based is an effective way of controlling the risk of third party insurance claims against the Council.

Delivery

59. The delivery of the proposed works will be through the current Highways and Professional Services term contract and will be managed by the Projects team in the Public Realm Division.
60. All works expenditure will be subject to monthly review through the Capital Programme Monitoring Board attended by the Head of Public Realm. The programme has been based upon estimated costs. Any major variance requiring a change to the programme will be reported the Cabinet member for decision.

Financial implications

Allocations

61. Re-profiling the current allocation and adopting a 'prevention is better than cure' approach will produce revenue savings of 70k in each of the 3 financial years 2015-18 and ensure 50% more Km of roads are resurfaced in financial years 2015-18. The proposal will also improve the condition of the roads within the borough.
62. The refreshed investment programme for non-principal roads and principal roads approved by the Cabinet March 2014 allocated capital provision of over £41m and £3m respectively for the coming years.
63. The council have committed a further £2m for investment in Cycling infrastructure over the 4 years 14/15 to 17/18
64. The allocation for the individual financial years is as follows:

Financial year	Non Principal Roads. LBS (£k)	Principal Roads. LBS (£k)	Principal Roads. TfL (£k)	Cycling Infra-structure. LBS (£k)	Cycling Infra-structure. TfL (£k)
2014/15	5,050	-	545	100	1500
2015/16	6,000	1,000	545	900	1500
2016/17	6,000	1,000	545	500	1500
2017/18	6,000	1,000	545	500	1500
2018/19	4,000	-	545	-	1500
2019/20	4,000	-	545	-	1500
2020/21	4,000	-	545	-	1500
2021/22	2,000	-	545	-	1500
2022/23	2,000	-	545	-	1500
2023/24	2,000	-	545	-	1500
Total	£41.05m	£3m	£5.45m	£2m	£15m

Notes

- TfL's Principal Road investment from 16/17 onwards is to be confirmed.
- TfL's Cycling infrastructure forms part of the larger Local Implementation Plan investment and is indicative and yet to be confirmed
- Non Principal Roads excludes an annual allocation of £200k per year (i.e. £2m over 10 years), to reclassify and capitalise "28 day work" previously charged to highways maintenance revenue account. It also excludes slippages of £150k and £1.15m for 2014/15 and 2015/16 respectively agreed as part of re-profiling of the forecast expenditure by the cabinet.

65. The capital allocation for the 3 financial year (FY) programme for non-principal road works are split as follows

Description	15/16	16/17	17/18	Ref:
	£m's			
Condition Assessments and reporting	0.075	0.075	0.075	
Resurfacing – Engineers Selections	4.925	4.925	4.925	App. 3
Resurfacing – Community Council Selections	0.80	0.80	0.80	App. 5
Investment in Structures assets	0.20	0.20	0.20	App. 6
Total	£6.0m	£6.0m	£6.0m	

66. The capital allocations for the 3 FY programmes of £1m per annum for principal road works will be spent wholly on Resurfacing – Engineers Selections.
67. The cost of the proposed schemes as set out in the Appendices is within the approved capital programme.
68. The overall programme for the works covered in this report are based on initial estimates and may fluctuate due to varying circumstances such as sub strata conditions or other adjacent works which may require the work items and estimates to be adjusted.
69. All works costs are inclusive of professional fees of 10% which whilst estimated to be in line with the industry average will support the ongoing commitment to higher quality of design in accordance with the Southwark Streetscape Design Manual. It will also support the management of our more robust project delivery processes.

Future Savings / efficiencies

70. Previous revenue savings in the region of £700k across all highways service areas have been achieved from 2011/12 to date. Further significant savings of £100k are to be achieved in financial year 15/16. This investment programme will reduce the maintenance liability of the assets and help to reduce the competing pressures on the remaining revenue budgets.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Corporate Services (CAP14/074)

71. This report is requesting approval from the Cabinet Member for Regeneration, Planning and Transport to agree the Highways investment programme for 2015/16 to 2017/18 and their implementation as detailed in the report and also agree that recommendations on investment selections made by Community Councils are implementable subject to approval by the Head of Public Realm.
72. It is noted that the highways investment programme will be contained within the departmental capital budgets allocated under the council's capital programme.

73. Any future savings from the investment will be incorporated within the council's annual revenue budget process.
74. Staffing and any other costs connected with this recommendation to be contained within existing departmental revenue budgets.

Director of Legal Services

75. There are no specific legal implications arising from the recommendations in this report. However in agreeing the highways investment programme, the Cabinet Member should have regard to the council's duty of best value, which requires it to make arrangements to secure the continuous improvement in the way its functions are exercised, by having regard to the combination of economy, efficiency and effectiveness. This report and its appendices set out the proposals for this programme and justifications for its implementation.
76. The agreement of this programme falls within the scope of matters which are reserved to individual cabinet member for decision under Part 3D of the council's constitution.
77. The cabinet member's attention is drawn to the public sector equality duty under the Equality Act 2010, and when making decisions to have regard to the need to eliminate discrimination, harassment, victimisation or other prohibited conduct; advance equality of opportunity and foster good relations between persons who share a relevant protected characteristic and those who do not share it. The relevant characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. The duty also applies to marriage and civil partnership but only in relation to the elimination of discrimination. The cabinet member is referred to the community impact statement at paragraph 50 that sets out the consideration that has been given to equalities issues, which should be considered when agreeing this programme.

BACKGROUND DOCUMENTS

Title of document(s)	Held At	Contact
Highway Infrastructure Asset Management Guidance http://www.highwaysefficiency.org.uk/efficiency-resources/asset-management/highway-infrastructure-asset-management-guidance.html	Copeland Rd Depot	Mick Lucas 020 7525 1140
Code of Good Practice for well maintained highways http://www.ukroadsliaisongroup.org/en/utilities/document-summary.cfm?docid=c7214a5b-66e1-4994-aa7fbac360dc5cc7	Copeland Rd Depot	Mick Lucas 020 7525 1140
Code of Good Practice for Management of Highways structures http://www.ukroadsliaisongroup.org/en/UKRLG-and-boards/uk-bridges-board/management-of-highway-structures.cfm	Copeland Rd Depot	Mick Lucas 020 7525 1140
Streetscape design manual http://www.southwark.gov.uk/info/200456/southwark_streetscape_design_manual_ssdm	Environment & Housing 160 Tooley Street	David Farnham 020 7525 2982

APPENDICES

No.	Title
Appendix 1	Highways Surfacing selection Methodology
Appendix 2	Highways Surfacing Selections – Principal Roads Programme
Appendix 3	Highways Surfacing Selections – Non Principal Roads Programme
Appendix 4	Briefing Note on Whole Life Cost Approach to Highway Maintenance
Appendix 5	Community Council Annual Investment Allocations
Appendix 6	Structures Investment Selections

AUDIT TRAIL

Lead Officer	Deborah Collins - Strategic Director for Environment & Leisure	
Report Author	Des Waters - Head of Public Realm	
Version	Final	
Dated	12 January 2015	
Key Decision?	Yes	
<i>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</i>		
Officer Title	Comments Sought	Comments Included
Director of Legal Services	Yes	Yes
Strategic Director of Finance & Corporate Services	Yes	Yes
Cabinet Member	Yes	No
Date final report sent to Constitutional Team	12 January 2015	