

BARNSLEY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan.

Report of the Executive Director of Place

2017/18 HIGHWAYS CAPITAL PROGRAMME

1. Purpose of report

- 1.1 To obtain approval for a £12.3M, 2017/18 Highways Capital Programme that critically underpins our economic growth aspirations through:
- Applying, where possible, the principle "prevention is better than cure" in determining the balance between structural, preventative and reactive maintenance activities, to improve the resilience of the highway;
 - The continued development of improvements to the existing highway network to resolve delay issues for public transport; new cycling routes; and measures to improve road safety, air quality and to encourage sustainable travel;
 - Investment in repairing and resurfacing over 25km of carriageway and 18km footway on our road network;
 - Transferring ownership of delivering the remaining projects on the Town Centre Plan to the Town Centre Board.
- 1.2 To obtain delegated authority to vary the programme, in conjunction with the Cabinet Spokesperson – Place

2. Recommendations

- 2.1 **That the 2017/18 Highways Capital Programme as set out in Appendices 1, 2 and 3 be approved, and that the Service Director, Environment and Transport be authorised to implement these schemes;**
- 2.2 **That the Service Director Environment and Transport be authorised, in conjunction with the Cabinet Spokesperson for Place, to vary the programmes within the overall budget;**
- 2.3 **The Service Director Environment and Transport be authorised to:**
- **obtain tenders for any works as necessary, and appoint the successful tenderer on the basis of the most economically advantageous tender;**
 - **to adopt the HMEP principle of collaboration and utilise collaborative procurement to engage external consultants to**

undertake work which cannot be undertaken in-house or secure the services of contractors or consultants via Regional Alliances where available;

- **appoint other external consultants and contractors as appropriate, within the current procurement rules.**

2.4 That, in the event that the Planned Maintenance budget and Integrated Transport budget for 2017/18 is not fully expended, the value of any committed works be rolled forward in addition to next year's planned allocations;

2.5 That the Town Centre Projects Plan of public realm improvements (approved in 2015/16) be absorbed into the responsibilities of the Town Centre Board;

2.6 That members note the proposed change in approach to the cyclic maintenance of road gullies;

2.7 That members note the potential highlighted risks associated with the future funding for delivering the highways function.

3. Introduction

3.1 Recent clarifications require a report to seek approval:

- of the Integrated Transport Programme 2017/8 - see Appendix 1;
- of the Maintenance Programme 2017/18 – see Appendices 2 and 3;
- for the Service Director Environment and Transport, in conjunction with the Cabinet Spokesperson Place, to vary the programme as necessary, within the overall financial approval;
- to implement an approach of engaging external resource suppliers, where necessary, to support the in-house provision to achieve economic and practical benefits, e.g. through the use of the Midlands Highway Alliance for Transport Modelling, or via collaboration established with adjacent authorities to deliver services, e.g. roadmarkings;
- for the Town Centre Projects Plan, which sought to improve the public realm of the town centre, to be incorporated into the responsibilities of the Town Centre Board;
- to note the risks associated with future funding for delivering the highways function.

3.2 The report also provides information for Members to note about details of transport-related funding sources and schemes proposed for the implementation of network and sustainable travel interventions.

Capital Resources

- 3.3 For 2017/18, the capital allocations of £12.3M are as shown in section 7 of this report.
- 3.4 An allocation of capital expenditure invests in the repairing and resurfacing the road network to present a good quality network to demonstrate to prospective investors, the importance which the council takes in servicing their prospective regeneration sites.

4. Proposal and justification

- 4.1 The following paragraphs explain the appendices to this report, detailing the various programmes that are funded from the allocations granted by the DfT, SCR and other funding. These are termed the “Integrated Transport” block funding and “Maintenance” Block funding. The appendices cover the following aspects:

Integrated Transport

- 4.2 Appendix 1 contains the Integrated Transport Programme 2017/18, which comprises of schemes that meet historical LTP3 objectives and contribute positively to the delivery of historical LTP3 targets. The programme also includes the projects funded through the final year of the Sustainable Transport Exemplar Programme (STEP) that is managed by Sheffield City Region, which provides sustainable cycling and walking schemes.

Maintenance

- 4.5 Appendix 2 contains the Maintenance Programme 2017/18.
- 4.6 Appendix 3 contains the Maintenance Scheme Programme 2017/18: Detailed List of Schemes 2017/18. The roads and footways maintenance programme continues to be funded from a combination of Maintenance block funding and Prudential borrowing.

Town Centre Projects

- 4.7 Over a number of years, funding has been allocated to a number of town centre schemes to build on the impact of the work completed around the town centre and work adjacent to the Town Hall. These schemes are set out in Appendix 4, Town Centre Projects Plan 2017/18: Detailed List of Schemes. This Plan is to be incorporated into the responsibilities of the Town Centre Board to align with the current development of the Town Centre.

Medium Term Programme

- 4.8 The DfT had confirmed IT Block funding allocations up to 2017/18, but only provided indicative allocations for 2018/19 – 2020/21. The medium term programme has accounted for this funding, but confirmation is required of the funding allocations. The Medium Term Integrated Transport Programme is given in section 7.5.

- 4.9 Since 2015, the amount of Maintenance Block Funding given to each highway authority has been allocated on the basis of two elements, an obligatory needs-based assessed element and a discretionary incentive element, on the basis of attaining banded levels of efficiency. A third element is available through a scheme known as the Local Highways Maintenance Challenge Fund, which is a bidding process for additional funding, although all bids from the South Yorkshire districts are prioritised and submitted by SCR. The Medium Term Maintenance Programme is given in section 7.6.
- 4.10 There are approximately 50,000 road gullies on the highway network within the Borough, which are cleansed generally over a 10 month period, dependant upon access. In addition to this cyclic cleansing, reports of individually blocked gullies are reacted to and cleansed separately.
- 4.11 The UK Roads Liaison Group launched an update to its Code of Practice which takes an integrated, risk based approach to managing highway infrastructure assets. The new Code '*Well-managed Highway Infrastructure*' was published in October 2016. The intention of the Code is for authorities to develop their own levels of service, in accordance with local needs, priorities and affordability. This means changing from reliance on specific guidance and recommendations, to a risk-based approach.
- 4.12 Because the way in which road gullies are prioritised for cleansing will move to a risk-based approach, there will likely be more regular maintenance being carried out on strategic routes and in areas with known flooding problems. Lower classification roads, for example cul-de-sacs, will likely be cleansed on a less regular basis. This change in approach will allow better planning of the new routes and optimise the time spent cleansing the road gully network.

5. Consideration of alternative approaches

5.1 Approach 1 – Prepare programmes of improvements based on LTP3 – Implementation Plan:

- 5.1.1 The county-wide LTP3 ceased on 31st March 2015. The Department for Transport has not issued any guidance as to a replacement, so the approach taken by partners to utilise the DfT's Integrated Transport Funding is to continue setting a programme applying the LTP3 principals, based on the 6 strategic investment themes of LTP3 - Implementation Plan. The programmes contained in Appendix 1 have therefore been drawn up to deliver a broad range of measures in line with the 6 strategic investment themes.
- 5.1.2 The programmes contained in Appendix 1 will contribute to a high quality, efficient transport system which:
- addresses areas of congestion to reduce time lost by businesses and the travelling public, encourage new development and improve air quality;
 - promotes safer roads to reduce accidents and costs in the wider health and benefits sectors;

- promotes sustainable modes of travel which provide safe and economic access to places of employment and help reduce levels of obesity e.g. walking and cycling routes.

5.1.3 The maintenance programmes contained in Appendices 2 and 3 have been drawn up in accordance with the Council’s Highway Asset Management Strategy.

5.2 Approach 2 – Prepare other programmes of improvements not based on LTP3 – Implementation Plan:

5.2.1 The outcome would be a programme that is ‘out of kilter’ with the policies and objectives of LTP3 – Implementation Plan, and therefore does not coincide with a recognised framework on which to base a programme of work. There is no guidance from the DfT about future LTP plans, but our demonstrable performance is a key element in support of bids, grants, and other external funding submissions. By following the structure of the LTP3 principles, it is possible to establish that some framework of direction has been utilised.

6 Implications for local people and service users

6.1 These are significant. The proposed programme of works and investment in the highway network will have an impact on a significant number of highway users within the Borough.

6.2 Investment in the highway network will make the network more sustainable in the longer term and provide a better customer experience for highway users.

6.3 Appropriate consultations will be undertaken as required and those views taken into account when detailed scheme plans are drawn up.

6.4 Prior to work starting on site, local residents and the travelling public will be informed as appropriate.

7 Financial implications

7.1 Consultation on the financial implications of this report has taken place with representatives of the Executive Director – Core Services.

7.2 The estimated cost of the Integrated Transport Programme 2017/18 (Appendix 1) is £3,183,148. This will be funded as follows:

2017/18 Integrated Transport allocation	1,037,000
2016/17 Cfwd Integrated Transport allocation	244,345
2017/18 STEP allocation	1,034,055
Capital Receipt: former Priory School site/Cundy Cross	867,748
Total	£3,183,148

7.3 The estimated cost of the Maintenance Programme 2017/18 (Appendix 2) is £9,133,112. This will be funded as follows:

LTP Maintenance Block allocation	3,374,000
LTP Maintenance Incentive Element	316,000
DfT Pot Hole Fund	296,000
Capitalised Highway Maintenance 2017/18 (Prudential Borrowing)	3,300,000
2016/17 Cfwd Capitalised Highway Maintenance	1,847,112
Total	£9,133,112

7.4 There is currently an in-year service review of the financial charging mechanisms. The outcome of this review may result in some schemes in Appendix 3 not being delivered in this financial year. Any outstanding schemes at the year end will be rolled forward into future years.

7.5 The estimated Medium Term Integrated Transport Programme 2018/19 – 2020/21 is shown below. This will be funded as follows, although note that the DfT allocations have yet to be confirmed:

Budget Heading	2018/19	2019/20	2020/21
DfT Integrated Transport allocation	1,100,000	1,100,000	1,100,000
Totals	£1,100,000	£1,100,000	£1,100,000

7.6 The indicative allocations for the Medium Term Maintenance Programme 2018/19 -2020/21 are shown below. note that the DfT allocations have yet to be confirmed:

Budget Heading	2018/19	2019/20	2020/21
DfT Maintenance Block allocation	3,054,000	3,054,000	3,054,000
DfT Maintenance Block Incentive Funding	636,000	636,000	636,000
Prudential Borrowing	3,300,000	3,300,000	3,300,000
Totals	£6,990,000	£6,990,000	£6,990,000

Governance

7.7 A review, overseen by Internal Audit, has been undertaken into the governance arrangements of delivering the Highways Capital Programme. Following the review, the delivery process has been revised and reinforced by the introduction of additional procedures that are in the process of being implemented. These include weekly production meetings to bring together all elements of the service, to ensure the smooth flow of projects from design, through costing, to construction and finally charging. This ensures that any peaks and troughs in workload are managed out and that recharging is done as soon as possible after a project has been completed.

- 7.8 Additionally, staff in the Service's Construction Division prepare weekly labour, plant and materials assessments, so that management can ensure that costs are being accurately reflected on SAP/BPC against projects in a timely manner, to allow effective budget monitoring.
- 7.9 At Senior Management level, the Strategic Transport in Barnsley (STiB) Board will review and challenge progress against programmes and budgets, as reported on a monthly basis.

8. Employee implications

- 8.1 The continued development of proposals for implementation through the Highways Capital Programme will involve staff in Environment and Transport Service, Core Services and Economic Regeneration Service.
- 8.2 The balancing of workload to available staff resources will still be a challenge for 2017/18. Within Environment and Transport, the use of consultants and overtime will be necessary to deliver the programmes.
- 8.3 Collaborative procurement will be used to engage external resource suppliers to support the in-house provision to achieve economic and practical benefits, e.g. through the use of the Midlands Highway Alliance for Transport Modelling, or via collaboration established with adjacent authorities to deliver services, e.g. roadmarkings.

9. Communications implications

- 9.1 Communications about these proposals will be channelled through the Area Councils, where appropriate. Notification of specific measures included in the proposed programme will be delivered to each dwelling in areas affected by such proposals, either directly, by posting notices or placing notices in the local press. Use of social media and the Council's web site will also be made.

10. Consultations

- 10.1 Consultations have taken place with representatives of the Executive Director Core Services;
- 10.2 Consultations about this programme will be undertaken as necessary via Area Councils, Parish council meetings or directly with local members and residents on individual schemes, as appropriate.
- 10.3 Members will recall that in 2016, HET officers engaged with Members through the Area Councils and Ward Alliances to explain the new approach to delivering strategic Highway Maintenance. The new approach was to deliver the works programme through intelligence based identification and prioritisation of investment. This approach resulted in the need to identify schemes in a transparent and defensible way, using condition data, to deliver works in an impartial way, to achieve best value for the asset with the resources available.

10.4 Whilst the identification of the programme will be data driven, engagement with our customers is an important aspect of delivery, and to this end, the intention will be to publish work programmes on the Council's web site.

11. The Corporate Plan and the Council's Performance Management Framework

11.1 The proposals support key themes of the Corporate Plan of growing the economy by:

- Providing a quality highway asset by repairing and maintaining the network in order to support and attract new business by providing high quality connectivity to jobs and business growth sites;
- Reducing accident costs by improving road safety through addressing accident hotspots and maintaining a high standard of road maintenance and street lighting provision;
- Installing walking and cycling routes as access to employment, amenities, schools and leisure for all members of the community;
- Reducing traffic delays by creating new infrastructure and improving and maintaining existing infrastructure;
- Working with SYPTTE and bus operators to improve bus punctuality, safety, cleanliness and air quality.

12 Promoting equality, diversity and social inclusion

12.1 The preparation of schemes considers measures necessary to overcome social inclusion and promote health benefits as an integral part of the process.

13. Tackling health inequalities

13.1 Where possible the proposals contained in this report are aimed at improving Air Quality by minimising carbon emissions and reducing reliance on private cars by promoting walking, cycling and public transport as modes of travel.

13.2 The highway network has an important role to play in ensuring people enjoy an active role in society. Within the borough, improvements to the network provide part of the solution to link people to jobs, services and leisure.

13.3 Providing alternative travel choices through improved footways and cycle ways benefits health and addresses health inequalities. The need to reduce obesity in Barnsley means people must be given the option to make more healthy travel choices, such as walking and cycling, in a safe environment. The Highways Capital Programme aims to address these challenges.

13.4 The Barnsley Bus Partnership was established in Jan 2017, with the key aims of improving access to jobs and services, tackling social exclusion and improving the emission standards of buses in Barnsley. As the Local Highway Authority, Barnsley MBC has committed itself to building several infrastructure

schemes over the 5 year partnership, subject to funding. These schemes will ease congestion, improve bus journey times and unlock investment from bus operators in their bus fleet, which will lead to a larger proportion of the bus network reaching EURO 6 emission standards. Enhancements on the highway network will promote the use of public transport to encourage people to rely less on the car.

- 13.5 The Borough must meet its transport needs, whilst also taking responsibility for its carbon footprint and improving air quality. This can be done by promoting the use of more sustainable travel choices to rival car use, whilst not hindering economic growth, by improving its highway network.

14. Reduction of crime and disorder

- 14.1 By taking account of the implications of crime and disorder in the preparation of schemes, the Council's duties under s17 of the Crime and Disorder Act 2014 have been considered.

15. Risk management issues

Key Risk Affecting Funding for Local and Strategic Schemes:

- 15.1 The details of the scale of risk are developed and refined during scheme preparation and are tested as part of the public response to any consultation about more detailed schemes. In overall programme terms, the risk focuses on the ability of the LTP partners to work equitably, as historically demonstrated over the 4 year life of the LTP3 Implementation Plan. The driver for this is the strong, robust, positive relationships fostered local transport partners, with BMBC represented on appropriate decision making boards. This representation ensures that the likelihood of BMBC not receiving its equitable share, within the confines of the proxy for allocation, is low, thus the Impact, at present, with this level and strength of officer support is viewed equally low.
- 15.2 Historically, the Service has been focussed on a delivery model that provides maximising deliverable schemes; however, as the operating model for the Service changes to be more business orientated, there will inevitably be tensions in balancing tangible delivery or income against spend.
- 15.3 The mechanism which is used to recharge budgets for the delivery of schemes is currently being updated and will inevitably see the price of carrying out works increase. The implications of this are that not all schemes will be delivered throughout the year if available funding is depleted quicker than anticipated.

Risks associated with Future Funding

- 15.4 Funding for work is delivered using the LTP-themed Integrated Transport (ITB) and Maintenance (MB) Blocks, Sustainable Transport Exemplar Programme (STEP) and internal, capitalised revenue through a prudential borrowing exercise. There is a concern that in future years and in the absence of funding clarity, that there will be insufficient funding to cover our HET income liabilities.

- 15.5 From 2018/19, the level of ITB is expected to remain constant to 2021, however, it must be noted that this allocation is currently indicative only as this has not yet been confirmed by Department for Transport, if confirmation is not forthcoming, there will be no capital, Integrated Transport funding.
- 15.6 STEP is part of the SCR Local Growth Fund Deal and was included in the first tranche award. It is the main source of funding used for the construction of cycling and walking projects, with 2017/18 being the final year of a three year allocation. After 2017/18, there is no subsequent equivalent or replacement of this funding.
- 15.7 Although there is a current degree of uncertainty surrounding SCR and the Devolution Deal, in 2018/19, if the Devolution Deal is ratified and a new Metropolitan Mayor is elected, part of the deal empowers the Mayor to direct what funding is spent on a list of prioritised roads within South Yorkshire, across all districts, known as the Key Route Network. At this time, there is no guidance as to how the Mayor will discharge these duties, for example, will the Mayor split expenditure within each district on an equitable basis? Consequently, all that can be assumed that the MB funding will continue to be directed straight through to the Council, but this may not be the case.
- 15.8 Accordingly, there is the possibility of a significant reduction of external funding coming into the HET Service from 2018.19. This needs to be highlighted as a risk in the Medium Term Financial Plan.

16. Health, safety and emergency resilience Issues

- 16.1 Health and Safety issues and implications are identified during scheme preparation, and are addressed by compliance with CDM Regulations.

17 Compatibility with the European Convention on Human Rights

- 17.1 There are no issues arising from this report but there may be matters that are raised by the implementation of individual schemes. These will be the subject of reports to Cabinet as part of any detailed approvals. Alternatively, for certain scheme types, a sequential process of assessment of the potential effects of all schemes on human rights is undertaken during the design stage. This procedure has previously been agreed with the Director of Legal and Governance and has operated for some time.

18 Conservation of biodiversity

- 18.1 There are no direct implications for conservation of biodiversity arising directly from this report; however, conservation of biodiversity will be fully considered, where appropriate, as part of the scheme development.

19. Glossary

DfT	Department for Transport
IT	Integrated Transport

HMEP Highways Maintenance Efficiency Programme
LTP Local Transport Plan
LTP3 Local Transport Plan for 2011-2014
STEP Sustainable Transport Exemplar Programme
SCR Sheffield City Region
SYPTTE South Yorkshire Passenger Transport Executive
CDM Construction, Design and Management Regulations 2015
SAP – The Council’s Financial Management System
BCP - The Council’s Financial Monitoring System
HET – Highways, Engineering and Transportation Service

20 List of appendices

Appendix A - Financial Implications of the Programmes
Appendix 1 – Integrated Transport Programme 2017/18
Appendix 2 – Maintenance Programme 2017/18
Appendix 3 – Maintenance Scheme Programme 2017/18: Detailed List of Schemes
Appendix 4 – Town Centre Projects Plan 2017/18: Detailed List of Schemes

21 Background papers

The South Yorkshire LTP3 Strategy and Implementation plan and funding bid documents for the STEP programmes are available from the South Yorkshire Local Transport Plan Monitoring Team and Sheffield City Region.

Working files are available in Place Directorate, for inspection.

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