

Cabinet

13 November 2024

Highway Asset Management Plan (HAMP) – Condition and Funding Update

Ordinary Decision

Report of Corporate Management Team

Alan Patrickson, Corporate Director of Neighbourhoods and Climate Change

Councillor John Shuttleworth, Cabinet Portfolio Holder for Rural Communities and Highways

Electoral division(s) affected:

Countywide

Purpose of the Report

- 1 To provide Cabinet with an update on the Highways Asset Management Plan (HAMP), including investment and highway condition across the county.

Executive summary

- 2 The adopted highway is the Council's most valuable asset. The HAMP sets out the long-term plan for managing the highway network so that its condition is maximised for the available budget.
- 3 The HAMP consists of two key documents:
 - (a) Section 1 – Policy (which sets out the principles of the HAMP)
 - (b) Section 2 – Annual Update Report (which provides in-year details of condition, investment and public satisfaction)
- 4 Investment into the highway network is funded from Central Government via the Local Transport Plan (LTP) and from Durham County Council

(DCC) via general capital settlements and additional capital funding for specific projects.

- 5 The annual report provides updates of all aspects of the highway asset including:
 - (a) Assets
 - (b) Investment
 - (c) Treatments
 - (d) Condition
 - (e) Performance
 - (f) Additional Investment
 - (g) Innovation

- 6 The annual report covers financial year 2023/24, it should be noted that no report was shared for financial year 2022/23. Once the policy and annual update report are approved, they will be shared on the authority's website.

Recommendation(s)

- 7 Cabinet is recommended to note and approve:
 - (a) the updated HAMP policy; and
 - (b) the updated HAMP annual update report.

Background

- 8 The highway network is the authorities most valuable asset and is valued at £10.0 billion.



- 9 The adopted highway network includes 3,803 kilometres of carriageway, 3752 kilometres of footways, 487 road bridges and 82,423 street lighting columns. It is used every day by nearly all County Durham residents and businesses together with many visitors. The highway network is therefore fundamental to economic and social activity in County Durham.
- 10 The HAMP defines how we manage the highway asset using good highway asset management principals of “the right treatment at the right time”. This enables the council to meet its statutory obligation.
- 11 The HAMP consists of two key documents, see Appendix 2 and 3:
- (a) Section 1 – Policy (which sets out the principles of the HAMP)
 - (b) Section 2 – Annual Update Report (which provides in-year details of condition, investment and public satisfaction)
- 12 Investment from central government has remained static over a number of years via the LTP settlement, DCC maximises this funding through the incentive fund as a Band 3 authority. Additional funding is also made available from general capital settlements and additional capital funding for specific projects.

- 13 LTP settlements do not include any inflationary uplift which is particularly problematic given the high levels of inflation across the highways industry over the last few years following the pandemic.
- 14 The construction industry has faced “unprecedented levels of demand” with the shortage of product availability placing significant pressure on civil engineering projects at a local and national level. A perfect storm of Brexit, Covid 19, high levels of demand, global conflict, rising oil and gas prices have combined resulting in inflation running at its highest level for 10 years.
- 15 While inflation has remained a challenge, the additional investment into the condition of the unclassified network has resulted in improvement, this had been identified as an area in need of investment and has resulted in a substantial uplift in condition.
- 16 Following the introduction of the North East Combined Authority (NECA), May 2024, Durham are engaging in the development of a regional HAMP, this document will be developed in the first year of the new collaboration. It is recognised that each of the seven local authorities will continue to maintain and develop their own HAMP/TAMP based on the priorities of their individual networks.
- 17 The highlights of the 2023/24 Annual Update Report are summarised below:
 - (a) Carriageways – The condition of the A, B, and C network remains steady state and slightly better than the national average. The Unclassified network condition has improved following additional capital investment however remains below the national average.
 - (b) Footways – Investment into footway capital improvement projects has been paused following the announcement of central governments “digital rollout programme”. Safety critical footway repairs have continued, once the digital rollout programme nears completion, footway improvement schemes will be reintroduced utilising existing highway capital budget.

- (c) Structures - Structures overall are generally in 'fair' condition, however a number of structures are coming to the "end of their design life". Additional capital funding has been secured for the development of the feasibility, detailed design and estimated cost packages which will be used to inform future investment.
- (d) Street Lighting – The majority of street lighting columns are in good / average condition however a number require replacement as they have reached or exceeded their useful life. The Street Lighting Energy Reduction Project (SLERP) is progressing well and in the final years of the initiative.
- (e) Drainage – The existing drainage asset is ageing and new housing development places increased pressure on limited budgets. Climate change and extreme flood weather events continue to be challenging with increased risks of property and highway flooding.

18 Highways continue to support and introduce innovative solutions and environmental initiatives across all aspects of the service.

Conclusion

- 19 LTP settlements have remained static whilst additional DCC funding from general capital settlements and additional capital funding for specific projects has been essential to ensure the network remains in a safe and serviceable condition.
- 20 Available funding has been invested wisely ensuring the "right treatment at the right time" however the impacts of hyperinflation have resulted in an increase to the highway maintenance revenue costs.
- 21 Across all areas of the service, budget limitations and hyperinflation continue to impact on the condition of the highway network.

Background Papers

None

Other useful documents

None

Author(s)

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Appendix 1: Implications

Legal Implications

The Authority has a legal responsibility to maintain the highway in accordance with the Highways Act 1980.

Finance

LTP settlements, supported by DCC capital funding is insufficient to adequately maintain the highway network and stabilise the reactive maintenance revenue budget.

Consultation

Highways continue to highlight financial pressures across the service to the appropriate stakeholders.

Equality and Diversity / Public Sector Equality Duty

None

Climate Change

Climate change, particularly flood events continue to impact on the condition of the highway network and capital / revenue budgets. Reducing carbon emissions in construction works remains a service priority however the cost of this innovation continues to increase project costs.

Human Rights

None

Crime and Disorder

None

Staffing

Staffing levels are adequate to deliver the capital programme with external support if required.

Accommodation

None

Risk

Limited budgets continue to impact on the capital programme, the condition of the network and the revenue budget.

Procurement

None

Appendix 2: HAMP Section 1 - Policy

See separate document

Appendix 3: HAMP Section 2 – Annual Update Report

See separate document