



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

CABINET

16 March 2023

Report of the Executive Director - Place

Reserve Account for Highway Drainage
(Cabinet Member for Highways, Assets and Transport)

1. Divisions Affected

1.1 County-wide.

2. Key Decision

2.1 This is a key decision because it is likely to result in the Council incurring expenditure which is, or savings which are significant having regard to the budget for the service or function concerned (this is currently defined as £500,000).

3. Purpose

3.1 To seek approval to set up a reserve for Highways Drainage and approve the transfer of unspent Revenue Pressures given for Highway Drainage in the 2022-23 Budget setting process.

4. Information and Analysis

4.1 The new Highway Drainage Team has been effectively operating since 1 April 2022, albeit it was not fully resourced until August 2022.

4.2 The introduction of a completely new centralised Highway Drainage Team was seen to bring the following benefits.

- Enhanced level of proactive maintenance, therefore reducing reactive maintenance.
- Targeted cyclical maintenance (Trash screens. Ditches, grips, Pumping Stations etc).
- Increase effectiveness during severe weather events.
- Greater level of resilience, in particular considering the impact of climate change.
- Planned approach to works.
- Opportunities for innovation.

4.3 Further to the benefits above, it is already becoming clear, that having the Flood Risk and Highway Drainage Team under one service area is delivering a more efficient, cohesive, and collaborative approach to drainage and flood risk management This also ties in with ensuring the development areas, that are embedded within the Highways Infrastructure Development Plan are fully realised, to support effective highway asset management planning.

4.4 The work being undertaken as part of the A6 “Challenge Fund” (eg:- remote gully monitoring etc) is also key, in supporting how highway drainage assets are managed and maintained in the future.

4.5 This new Team is currently supported by the following revenue budgets which have been allocated in 2022-23 as follows:

Base Growth Routine Enhanced	£1.313m
One off Drainage Recovery	£1.313m

4.6 The Drainage Recovery Revenue budget is a one-off budget which was provided to enable the recovery, repair and maintenance of highway drainage assets, which have either been affected by historical flooding events, a lack of maintenance, along with resolving long-standing highway flooding issues across the network.

4.7 Unfortunately, there have been several factors throughout the year that have meant spending the full allocation of funding has been challenging, as follows:

1. It has taken nearly a year to fill all the vacancies within the Team. This has significantly impacted upon the Team’s capacity to investigate and generate the required works, to spend the allocated budget. (It is worth noting that the Team has raised over 400 separate works orders for highway drainage repairs up to press, which amounts to approximately £2.03m of committed spend.

2. Undertaking Highway drainage repair works in the main does take considerably longer than other areas of highway repair works, (e.g. pothole repairs) to get to a stage whereby a works order can be issued to Construction services. This invariably impacts upon the amount of spend that can be generated, with the resources available in the Team. Site investigation, CCTV surveys, liaison with statutory undertakers, third party land ownership, etc, all have to be undertaken before any repair works can be issued, which takes time and resources.
3. The approximate average value of individual Highway Drainage works orders, which have been issued this year, is around £2,500. Although this figure is only approximate, it demonstrates that a large number of individual works orders are required, in order to generate the required spend, with the budget that has been allocated to the team.
4. A significant proportion of the Team's time this year has not only been spent on repairing the highway drainage network, it has also been spent on setting up the Team. The Team has been working hard on collecting historical highway drainage asset data and prioritising these assets accordingly. The Team has also been setting up cyclical maintenance regimes for ditches, pumping stations and trash screens. To ensure effective asset management (in the medium to long term timescales), it is key to acquire quality data, to ensure well informed decisions can be made as to how the highway drainage network is managed in the future. The Team will continue to work towards achieving that goal. On top of that, with no advance warning, the Contractor for the cyclical gully cleansing service went into administration in April 2022. Although a temporary short-term contractor was put in place quickly to maintain service delivery, a subsequent long-term Contractor has also now been appointed. All these factors have impacted upon the Team's ability to deliver the required spend.

4.8 Although the points raised in 4.6 have all collectively impacted on the Team's ability to invest in the drainage assets, the Team has tried to mitigate the impact as much as it possibly can, throughout the year as follows:

- £450,000 in total has been allocated to support district based colleagues dealing with a significant number of drainage enquiries they have had this year.
- All Council highway drainage pumping stations have been assessed and repaired to a serviceable operational standard.

- Cyclical maintenance of all critical ditches and trash screens.
- The Team have been undertaking overtime to generate more works orders.
- Agency staff have been brought in to support the Team, whilst it has had vacant posts.
- Supported Area Maintenance Teams on individual requests to cleanse critical highway flooding hotspots.

4.9 It is also worth noting that with the enhanced level of funding available this year, it has enabled the following:

- A backlog of over 3000 historical drainage jobs/enquires have been completed.
- Proactive maintenance to key assets (e.g., pumping stations, trash screens and highway ditches), which over time will reduce capital expenditure.
- Ongoing recovery of highway drainage infrastructure, following a prolonged spell of severe weather events.
- Significant programme of Highway asset surveys.

4.10 Unfortunately, the Department is now in a position whereby the allocated Highway Drainage budget for 2022-23 will not be fully realised and it is estimated that this could be in the region of £1.6m, albeit the Team continues to work tirelessly to lessen this impact.

4.11 However, it is vital that whatever budget remains at year end, remains for the sole purpose of highway drainage repairs works. It has become very clear, throughout 2022-23, that the highway drainage network is not in the best condition.

4.12 Highway drainage maintenance is key in maintaining a serviceable network for all users, and with the ever-increasing onset of climate change, this will become even more critical in years to come.

4.13 A poorly performing drainage network can also significantly impact upon the condition of the highway, which is particularly evident this year, given the recent pothole emergency.

4.14 Retaining whatever revenue budget is left at year-end in a reserve account, for the sole use of Highway Drainage maintenance, is critical to try and ensure the Council get to a position whereby its existing drainage infrastructure is operating as it should be, but to also build in resilience to these assets, in the medium/long term, which will

eventually start to realise efficiencies and potential savings across this service area.

5. Consultation

5.1 Not applicable.

6. Alternative Options Considered

6.1 Option 1 - Do Nothing: This would significantly impact upon the ongoing recovery of the highway drainage network, which would also have an attributing negative impact upon the condition and serviceability of the carriageway surface, plus the ongoing onset of climate change, would impact upon the Council's resilience to minimise the effect of future flooding events.

7. Implications

7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

8.1 None identified.

9. Appendices

9.1 Appendix 1 – Implications

10. Recommendations

That Cabinet:

- a) Approves the setting up of a Reserve for Highways Drainage.
- b) Approves the transfer of any unspent Revenue Pressures from 2022-23 given for Highway Drainage into this reserve.

11. Reason for Recommendations

11.1 Derbyshire County Council, as the Highway Authority, has a duty under the Highways Act 1980 to maintain the highway in a condition that is safe and fit for purpose, which includes ensuring that the highway is appropriately drained.

12. Is it necessary to waive the call in period?

12.1 No.

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Implications

Financial

- 1.1 This report states that the Highways Division will be reporting an underspend on 2022-23 budgets. The reasons for these underspends are set out in Section 4.7 above. Although forecasting an in-year underspend, budgets have all been allocated to Highways Drainage works, which although will not all be able to be delivered by the end of 2022-23, it is still critical to maintain a serviceable network for all users.
- 1.2 The combined underspend on both Highway Drainage budgets approved as part of the 2022-23 budget are forecast to be in the region of £1.6m.
- 1.3 Work has been undertaken in year with the Highways Management Team to ensure closer and more robust budget monitoring is taken place.
- 1.4 Plans will be put in place to ensure that any underspend put into the reserve at the end of 2022-23 will be fully utilised in 2023-24. With Highways Management understanding the risk that any unused funds at the end of 2023-24 could be returned to Corporate for allocation elsewhere.

Legal

- 2.1 Derbyshire County Council, as the Highway Authority, has a duty under the Highways Act 1980 to maintain the highway in a condition that is safe and fit for purpose, and an important part of that maintenance is ensuring the highway drainage system is working as it should be, to not only ensure that the carriageway drains effectively for the safety of road users, but to also minimise the damage water can cause to the structure of the road itself.

Human Resources

- 3.1 None.

Information Technology

- 4.1 None.

Equalities Impact

5.1 Not applicable.

Corporate objectives and priorities for change

6.1 None.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

7.1 None.