

Highways and Transport Portfolio - Summary

Performance Summary

- The Portfolio has a number of performance highlights to report this quarter:
 - Highways investment and expenditure continues to support the corporate priorities. 331 of over 600 projects have been completed from the Highway, Transport and Planning Delivery Programme for 2022/23. The Programme details planned schemes on our roads and footways, including bridges and public rights of way. Construction works on the A259 (Littlehampton) to widen approximately 2km of the existing single carriageway to a dual carriageway are continuing to progress well with works expected to complete ahead of the calendar year end.
 - Due to the extreme summer dry period, the decision was taken to postpone the fourth urban grass cut by five weeks. The resource was re-purposed and focused on sign cleaning/vegetation clearance around signs and extra watering of young trees. Over 1,000 signs were attended to by this resource in this period.
 - For Transport and Network Operations, there has been a successful bid to government for the Bus Service Improvement Plan with an indicative £17.4m investment promised over next three years and completed successful consultations on two active travel schemes in Crawley and Horsham.
 - We have focused on reaching our corporate objective of 12 apprentices per year and have been utilising the apprenticeship levy to “grow our own” civil engineers. We recently recruited a cohort of five HNC and degree level civil engineer apprentices to help tackle skills gaps within our service.

Our Council Performance Measures

- The following section provides updates of the performance KPIs agreed in Our Council Plan and the action taking place, comprising a wider performance view, with KPI measures comparing performance over the last three periods - this may be quarterly, annually or other time periods (depending on how regularly data is released); however, each measure will explain the reporting period.

Highways and Transport		2022/23 Target	Performance Over The Last 3 Periods			DoT	Year End Forecast
17	Measure: Length of new cycle infrastructure across the County (CC) Reporting Frequency: Quarterly, Accumulative 	30km by 2025 = 7.5km per year	Mar-22	Jun-22	Sep-22		G
			16.3 km	16.3 km	19.3km		

Highways and Transport		2022/23 Target	Performance Over The Last 3 Periods			DoT	Year End Forecast
<p>Performance Analysis: Sep-22: We are advised that the Length of New Cycle Paths across the County is currently 2.95 km to date, with the following Bridleway Upgrades / Surfacing Schemes either have been completed in Q1, or completed by the end of September:</p> <ul style="list-style-type: none"> • BW614 surfacing (Kirdford /south-west of Wisborough Green, just north of the A272) = 0.47km • BW1662 all-weather surface (Two Mile Ash Road, Southwater) = 0.78km • BW15C (Clayton/Hassocks) = 0.22km • BW3569 (Itchingfield / Downs Link) = 0.68 • The Crawley Eastern Gateway scheme (part of the Crawley Growth Programme) = 0.8 km. <p>The Growth Programmes are currently delivering additional length within Burgess Hill which should be completed this financial year.</p> <p>Actions: We continue to work towards our 2025 target (30km over a 4-year period) with the provision of a high-quality cycling.</p>							
18	<p>Measure: Percentage length of A and B roads that require maintenance</p> <p>Reporting Frequency: Annually (October)</p>	14.0%	2019/20	2020/21	2021/22		A
			13.6%	14.7%	15.6%	↓	
<p>Performance Analysis: Sep-22: The combined percentage of the A and B road network in West Sussex that requires maintenance has been rising since 2014.</p> <p>The current Corporate KPI target for this measure of A and B roads needing maintenance is for a 0.5% reduction in these roads requiring maintenance annually. With the two diverging, meeting future targets is very challenging without more investment. From the most recent national Road Condition data, the proportion of West Sussex A Road network in good condition (Green) is 69%, similar to the other South-East Seven counties who range from 63% - 70%.</p> <p>A similar level of good condition is seen overall for the B and C road networks in West Sussex with 67% rated good, with the South-East Seven range being 63% to 71% rated good. We are currently awaiting the latest road condition survey results for WSCC at the end of October. These results should indicate if recent investment is beginning to alter the declining condition trend.</p> <p>Actions: The investment made and the programme of carriageway treatments undertaken this year should positively impact next year's maintenance requirements. With the level of this year's expenditure being maintained for 2022/23 it is anticipated that the condition of the A and B network will improve.</p>							
19	<p>Measure: Highway defects repaired within required time scale</p> <p>Reporting Frequency: Quarterly. Reported 1 month in arrears.</p>	96.0%	Dec-21	Mar-22	Jun-22		G
			74.3%	71.0%	99.5%	↗	
<p>Performance Analysis: Jun-22: There is a continued improvement with the target having been exceeded for the last two months.</p> <p>Actions: On-going regular meetings with the contractor to ensure the performance remains at a high standard.</p>							
41	<p>Measure: Killed and seriously injured casualties per billion vehicle miles</p> <p>Reporting Frequency: Annually (September)</p>	103	2019	2020	2021		A
			121	127 (2020/21 Target: 112)	118 (2021/22 Target: 107)	↗	

Highways and Transport	2022/23 Target	Performance Over The Last 3 Periods	DoT	Year End Forecast
<p>Performance Analysis: Sep-22: Currently, WSCC hold injury data to 30 June 2022; there have been 254 KSIs for the first 6 months of the year. This is 21% up on the first six months of 2021. The KSI outturn for 2021 was 469, this is down 7% on 2020. The KSI rate per billion miles travelled for 2021 is 118, a 15% drop on 2020.</p> <p>Ongoing Road Safety Projects include:</p> <ul style="list-style-type: none"> • Major Road Network (MRN) Project – an assessment of the West Sussex MRN against the iRAP route safety assessment methodology has been completed, providing a “STAR rating” demonstrating the potential level of harm road users may be subject to on those routes. The results will be analysed and used as a guide for potential road safety schemes. • Cluster site analysis – we continue to monitor sites with clusters of collisions across West Sussex to help determine future priorities. • Route analysis – we continue to monitor routes with high collision numbers across West Sussex to help determine future priorities. • School Zig Zags project - In early 2023 we intend to partake in a behavioural change project for school zig zags at specific sites (yet to be confirmed) across West Sussex. <p>Actions: Our on-going road safety engineering schemes, education, training, and publicity include:</p> <ul style="list-style-type: none"> • Our partnership with The Sussex Safer Roads Partnership, promoting a wide range of behavioural change programmes. • Provision of Bikeability training to about 9000 year 6 pupils. • Approximately 35,000 offenders undertaking driver training courses each year. • Our Road Safety Facebook page, which allows us to engage with the community on road safety issues, run educational campaigns and generates discussion and dialogue between road users. • 13 locations were treated last year as part of an annual local safety programme that looks to make road improvements to areas that have historically higher number of road traffic accidents. Measures ranged from signing improvements, resurfacing with high skid resistant materials, to altering junction layouts. Four schemes have been delivered this year and a further 34 are at feasibility or detailed design stage. 				

Finance Summary

Portfolio In Year Pressures and Mitigations

Pressures	(£m)	Mitigations and Underspending	(£m)	Year end budget variation (£m)
Street Lighting PFI - Energy Prices	£3.000m	Reduced uptake in National Concessionary Fares	(£2.000m)	
Traffic Signals - Energy Prices	£0.300m	Additional Income - Highways Street Works	(£0.600m)	
Highway Maintenance - Inflation	£0.600m	Additional Income - Road Safety Training and Local Transport Improvements	(£0.150m)	
In house Transport Provision - Increased demand and cost	£0.300m	Additional Income - Highways Agreement (Adoption of Roads)	(£0.350m)	
Highways & Transport Portfolio - Total	£4.200m		(£3.100m)	£1.100m

Significant Financial Issues and Risks Arising

3. There are no significant issues to raise within this section.

Financial Narrative on the Portfolio's Position

4. As at September, the Highways and Transport Portfolio is projecting a £1.1m overspend, a decrease of £0.4m when compared to June. Inflationary cost pressure remains the major issue within the budget this year.

5. **Street Lighting PFI** – The surge in demand for electricity following the recovery from the Covid-19 pandemic combined with the significant impact to energy markets from the war in Ukraine has led to a substantial increase in electricity prices. Purchasing through the LASER consortium has mitigated the worst of the market extremes; however, prices look set to increase by around 75% compared to last year, leading to a projected overspending of £3m against the budget.
6. The LED conversion programme, which is planned to start during 2022/23, would provide a degree of mitigation against the cost pressure by reducing energy consumption. The variation to the PFI contract has yet to be finalised and agreed, but it is possible that some financial benefit could be delivered this year.
7. The Government’s recently announced Non-Domestic Energy Bill Relief Scheme is not expected to materially change the projection because the rates secured through the LASER consortium are expected to be comparable to those delivered through the scheme. Further analysis of this will be undertaken as more detailed information becomes available.
8. **Traffic Signals.** The electricity price increases have also affected the traffic signals budget, where an overspending of £0.3m is projected.
9. **Highways Maintenance.** The high level of inflation has led to pressure within the Highway Maintenance budget, with an overspending of £0.6m currently projected at year-end.
10. Whilst a significant investment of £2.6m for highway maintenance works and supporting resource was included in the budget for 2022/23, it is not possible to deliver all programmed work within budget given the level of cost increase experienced on contracts and throughout the supply chain.
11. The additional investment is being utilised to deliver a range of essential works to reduce risk and maintain safety on the highway network, including maintenance of bridges and structures, additional drainage cleansing, ditch clearance, sign cleaning and a ragwort weed survey and treatment programme.
12. **In House Transport Provision.** Increased Demand and Cost. An overspending of £0.3m is projected within the In-House Transport budget, reflecting a combination of increased demand for internally provided home to school transport and inflationary pressure on running costs.
13. **Public Transport Support.** Bus operators continue to face the challenges of high fuel costs and increasing wage demands in order to be able to recruit and retain staff. The support provided under the English National Concessionary Travel Scheme maintains a degree of stability, however, inflationary pressure is now affecting this budget.
14. Cost increases are currently leading to a projected overspending of £0.3m, which is so far mitigated within the budget through the use of grant and other one-off external funding. It is unlikely to be possible to continue to fully mitigate this pressure, which is expected to increase further on routes that are due to be retendered later in the year. The position will continue to be kept under review and further updates will be provided in future reports.

15. **National Concessionary Fares.** Payments to bus operators under the English National Concessionary Travel Scheme during the Covid-19 period were maintained based on pre-pandemic patronage but adjusted for reductions to service mileages. This led to underspending of £1.2m in 2020/21 and £1.1m in 2021/22.
16. The approach in 2022/23 continues the same reimbursement arrangement for the first nine months of the year, before moving to being based upon actual patronage from January 2023. This balances the need to continue to provide support to the sector with the incentivisation of operators to actively promote a return to bus travel, progressing a transition to normalised future arrangements.
17. The reimbursement cost forecast reflects these arrangements and continues to suggest a year-end underspending of £2.0m. This recognises the likely lower level of reimbursement in the final quarter of the year and reflects a freeze on fare levels reimbursed whilst support continues to be provided.
18. **Additional Income Generation.** Income generation across the portfolio has exceeded budgeted assumptions in recent years and this is expected to continue, with an estimate of £1.1m included within the current projection. This includes income from street works charges to utility and telecommunication providers as well as income from highways fees and charges.
19. **On Street Parking.** Income from controlled parking zones remains lower than previously expected before the Covid-19 pandemic, whilst operational costs have continued to increase. The impact of this will continue to be monitored through the second half of the year as emerging parking behaviour becomes clearer.

Covid-19 Expenditure Update

20. As the pandemic continues, there remains a need to provide quality services and assistance to residents. Within the Highways and Transport Portfolio, some final invoices relating to 2021/22 Covid-19 highways costs have been received. This has led to £0.040m of the non-ringfenced Covid-19 grant being earmarked for 2022/23.
21. In addition, ringfenced grants of £0.021m Active Travel Grant and £0.171m Emergency Active Travel Grant were carried forward from 2021/22 and are planned to be spent in year in accordance with the grant conditions.

Savings Delivery Update

22. The portfolio has a number of savings outstanding from previous financial years. Details of these savings are included in the table below:

Saving Activity	Savings to be Delivered in 2022/23 £000	September 2022		Narrative
On street parking	376	376	A	Pay and display income and uptake of parking permits were affected by the Covid-19 pandemic in 2021/22. Income levels to be monitored in 2022/23 as post pandemic parking behaviour becomes clearer.
Charge for monitoring travel plans	50	50	G	

Savings Key:

R Significant Risk **A** At Risk **G** On Track **B** Delivered

Capital Programme

Performance Summary - Capital

23. There are 23 schemes within the portfolio. 18 of the schemes in delivery are rated green, indicating that the project is reporting to plan. Two are rated as amber, indicating that there is an issue but that it can be dealt with by the project manager or project delivery team, one scheme is reporting as red, indicating that there is a significant issue requiring corrective action and two schemes are within their final retention phase. An update on the progress of the schemes not rated green are detailed in the table below:

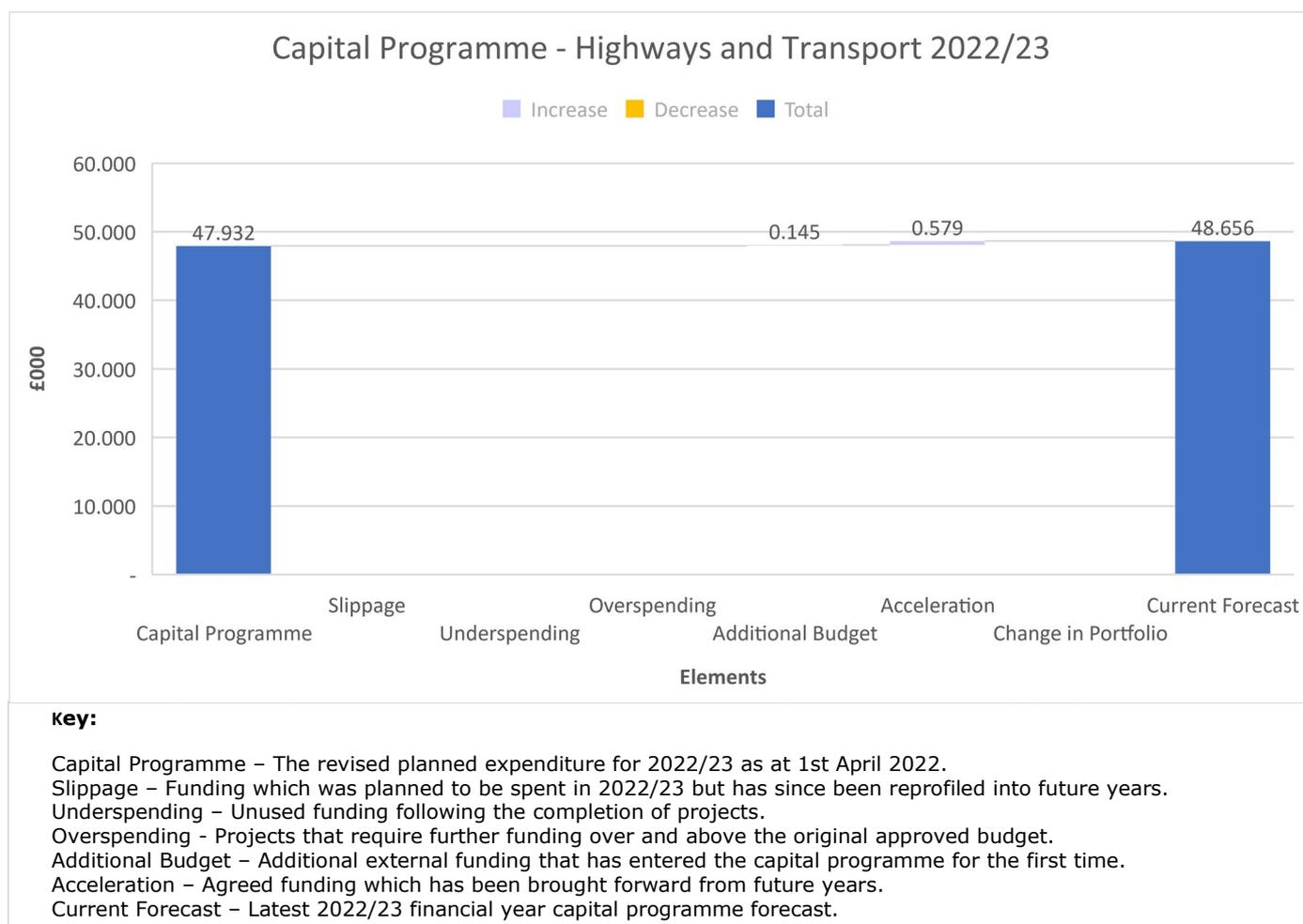
Scheme	RAG Status at Sep 2022	Reason	Latest RAG Status	Updated Position
A29	RED	Cost pressure.	RED	Options being considered.
A259 Phase 1 (Littlehampton Corridor)	AMBER	Cost pressure.	AMBER	Option to go forward as a Key Decision.
LED Streetlight Conversion	AMBER	Protracted legal PFI Contract negotiation and associated Deed of Variation.	AMBER	Awaiting DfT clarification on final point in the Deed of Variation.

Finance Summary - Capital

24. The capital programme; as approved by County Council in February 2022, agreed a programme totalling £49.790m for 2022/23. £1.858m of budget, originally profiled to spend in 2022/23, was accelerated into 2021/22, revising the capital programme to £47.932m.

25. Since this time, the profiled spend has increased overall by £0.724m, to give a current year end projection for 2022/23 of £48.656m. Of this increase,

£0.579m relates to projects where funding has been accelerated from future years and £0.145m of additional budget.



26. Details of the financial profiling movements within the capital programme between July and September are as follows:

- **Acceleration: £0.579m. Movement since Q1 report: £0.579m.**
 - **A29 Realignment, Arun Phase 1 - £0.492m.** Additional demolition works are now required and will be carried out by the main contractor, these additional works are funded from an external contribution.
 - **West of Horsham - £0.087m.** Budget has been accelerated from future years to 2022/23 to cover main contractor compensation events and reflect retention in 2022/23.

- **Additional Budget: £0.145m. Movement since Q1 report: £0.145m.**
 - **Annual Works Programme - £0.071m** - Grant award from Natural England for Public Rights of Way schemes has been added to the in-year Annual Works Programme block allocation.

- **A259 Bognor to Littlehampton - £0.053m** - Addition of Arun District Council funding of £0.053m to develop a strategic traffic model.
- **Active Travel Fund - £0.021m.** Travel Demand Management grant added to the Active Travel Fund programme of works.

27. The latest Capital Programme Budget Monitor is reported in **Appendix 3**.

Risk

28. There are no corporate risks assigned to this portfolio. Risks allocated to other portfolios are specified within the respective portfolio sections. Further detail on all risks can be found in **Appendix 4** - Corporate Risk Register Summary.