



OFFICER REPORT TO LOCAL COMMITTEE (WAVERLEY)

OPERATION HORIZON: WAVERLEY

15 March 2013

KEY ISSUE

In tandem with majority of local highway authorities, Surrey's roads are now deteriorating at a faster rate than ever before.

In 2012 the AA published results of year-long study and expressed serious concern about the state of Britain's roads following a succession of heavy rain, flooding, snow and ice. It concluded that nearly one fifth of the UK network require urgent attention over the next five years, with an estimated cost of up to £10bn to deliver the necessary maintenance.

Radical and urgent action is therefore required to meet residents' expectation for road condition. Consequently over the past 18 months Surrey Highways has been working with its contractors, UK research laboratories and senior stakeholders to develop a new innovative approach to highway road maintenance.

The outcome of this exercise is Operation Horizon, a new investment programme that will significantly increase both the scale and scope of highway repair and is provided in this report for committee review and endorsement.

SUMMARY

Operation Horizon is a new targeted investment programme for road maintenance, and has been achieved through two key actions:

- **Increased Funding** – Cabinet has added £25m to the road maintenance budget over the next 5 years, resulting in a total £100m budget.
- **Contract Savings** – project will deliver 16%-20% saving on existing contract rates, enabling £16m- £20m to be re-invested in Surrey's roads

Combined the actions above will enable a total investment programme of nearly **£120m** to replace the worst 500km (10%) of Surrey roads.

For Waverley in particular, the new programme will result in £13m being invested in the local road network and will enable 90km of road to be re-surfaced over 100 separate road schemes.

OFFICER RECOMMENDATIONS

The Local Committee (Waverley) is asked to agree to formally endorse the £13m Operation Horizon investment programme for Waverley and, subject to Cabinet confirmation, that 90km of road, across the defined scheme list detailed in Annex One, be resurfaced between 2013 – 2018.

1 INTRODUCTION AND BACKGROUND

1. Road condition is measured nationally by the Road Condition Index (RCI), which assesses roads into 3 categories:
 - Green – good road condition
 - Amber – in need of maintenance but not critical
 - Red – road in critical condition
2. The RCI indicates that on average **10%** of England's local highway network is classified in the red zone. However, the average in Surrey is higher, with **17%** of the network classified in the red zone.
3. Further analysis confirms that Surrey has a concern in town centres, residential and rural areas, with more than 21% of lower speed roads (SPN3) classed as in requiring attention.
4. 800km of the road network is therefore classified as poor, with the current annual programme only enabling replacement of approximately 60km p.a. On current projections it would take a minimum of **13 years** to repair the structural backlog, during which time more roads will move into the red zone.
5. Surrey Highways will seek to address this problem by launching Operation Horizon and will aim to:
 - ⇒ Replace a minimum of 500km (10%) of the council's road network
 - ⇒ Deliver an annual reduction of 20% in number of safety defects
 - ⇒ Specifically target rural lanes and residential areas
 - ⇒ Improve the council's national score for road condition
 - ⇒ Improve the appearance and ride quality of network
 - ⇒ Support the local economy by reducing disruption
6. The project outcomes have been enabled not only through a £25m increase in highway budget but also by achieving 16%-20% in contract efficiencies.
7. To deliver the project savings, five key efficiency areas have been identified:

a. Longer Term Programme

A **10%** cost discount was secured on condition that Surrey Highways confirm a five year programme in advance and ensure amendments are restricted to the absolute essential changes only. The longer term programme enables contractors to bulk buy and remove costly staff downtime

b. New Storage Depot

Significant waste cost was identified in haulage as small amount of materials are required to be transported from Kent for each specific scheme. Surrey County Council (SCC) has offered storage facilities to reduce haulage costs and allowed contractors to reduce their costs by **2%**

c. New Materials

Following work with the contractor's laboratories a new material has been identified which is more durable and can be delivered using less volume and thus less material. This will deliver a further **2%** saving.

d. Vehicle Relocation

A time and motion study identified that contractor staff were waiting for up to two hours on-site before commencing schemes. This was due to the need to locate owners of parked vehicles that were preventing re-surface. From April SCC will implement a new policy allowing contractors to re-locate vehicles to an adjacent road, saving **1%**.

e. Improved Waste Management

Surrey roads contain high presence of tar, classified as hazardous waste, and thus can only be disposed in specific UK locations. As part of Project Horizon, Surrey Highways will apply a new chemical process which will make materials safe and save a further **1%**

8. In addition to the identified 16% saving, the project team is confident that a further 4% saving could be secured over the five years through improved value engineering and use of new materials.
9. In addition to expected £16m savings, Operation Horizon will also deliver the following quality benefits:
 - **Improved Programme Management** – the five year programme, will ensure all works are published 12 months in advance and allow at least three months for in-depth planning for each scheme
 - **Improved Communication Plan** – a new Communications Plan will be implemented. This will improve the level of communications residents and members receive on schemes in their area
 - **Apprentice Programme** – Horizon will employ an additional 12 apprentices via Surrey Highways and the wider supply chain.

2 Waverley Programme

- 2.1 The Waverley Programme has been developed over a six month period, using the latest road condition data and community feedback. The consultation

process included a series of local road shows, with over 200 people attending events in Cranleigh, Farnham, Godalming and Haslemere. A further 140 responses were received via the website.

- 2.2 Since December, using road condition data and public nominations, the project team has worked with each County Council divisional member to ensure that the programme meets the combined technical and community need for their local area.
- 2.3 The final programme is detailed in Annex One with a summary of the rationale behind each of the respective areas being provided below:

Cranleigh

The re-surface of the High St was identified by local councillor/residents as the priority scheme and in year one 2.5km will thus be re-surfaced. Following completion, the key rural arteries, providing feeder traffic to the village centre, will be targeted in priority order.

Farnham

Year one will focus on the busy commuter roads supporting the town centre and rail station. In year two a major re-surface programme will be delivered in Farnham town centre and the main arteries of Boundstone Rd and A287. From year 3 the primary focus will be on re-surfacing majority of residential roads, A287 (3km) and Farnham by-pass.

Godalming

Year one will replace over 3km of the A3100 and 2km of Brighton Rd (B2130). From year 2 the majority of the spending will be targeted in key residential areas and rural roads feeding the town centre, while 3km of the A286 (near Witley) will be re-surfaced from year 3.

Haslemere.

Re-surface of High St and village centre was identified by local councillor/residents as the priority. Due to road condition the High St will be re-surfaced in March 2013. In year 1 and 2, the primary focus will be in resurfacing key feeder routes to the High Street, including Petworth Rd and Haste Hill. The programme will then focus on re-surfacing, in priority order the key rural lanes and residential areas supporting the town centre.

Western & Eastern Villages

In year one over 3km of the B2130 and 1.6km of the D1325 (Hyde Lane) will be resurfaced. From year two, the key focus will be on re-surfacing the primary rural lanes and main arteries inter-connecting villages, e.g. 2km of Pitt Lane connecting Frensham and Dockenfield.

4. CONSULTATIONS

- 4.1 A six month consultation process was conducted with residents, local associations and county councillors.

5 FINANCIAL AND VALUE FOR MONEY IMPLICATIONS

- 5.1 The investment programme will be fully funded by Surrey Highways and no financial contribution is required from the Local Committee budget.
- 5.2 However, it is recognised that the fixed five year investment programme will reduce Local Committee flexibility to promote future maintenance schemes as petitioned by residents.
- 5.3 The scale and scope of investment programme is only sustainable if programme changes are limited, thus Surrey Highways will not be able, over the project period, to deliver new schemes not previously identified in Annex One.
- 5.4 Consequently there could be increased pressure on the Local Committee allocation to respond to resident petitions to re-surface roads not already identified in Annex One.
- 5.5 To ease potential budget pressure, the Cabinet has therefore confirmed that the enlarged funding originally announced as a one-off for 2012/13 (increasing local committee funding from £2m to £4m) will be maintained throughout the Operation Horizon period (2013 – 2018).
- 5.6 The additional funding will be allocated per committee on the previously agreed formula and it is for local committees to determine the funding split between road maintenance and transport improvements.
- 5.7 The additional funding will support the Local Committee's response to local petitions. For clarity Surrey Highways will continue to ensure that all roads are safe for travel by removing potholes and wider patch repairs, but it will not deliver larger condition repairs outside of the scheme list provided in Annex 1.

6 EQUALITIES AND DIVERSITY IMPLICATIONS

- 6.1 Improved road maintenance will support all travelling commuters and minority stakeholders

7 CRIME AND DISORDER IMPLICATIONS

- 7.1 Not applicable

8 CONCLUSION AND RECOMMENDATIONS

- 8.1 The combined effect of increasing severe weather impacting on the rate deterioration on the road network and overall reducing budgets in an era of austerity has the potential to have a lasting negative impact on the local road network, reducing resident satisfaction and impacting on the wider local economy.
- 8.2 However, rather than accept the status quo, Surrey Highways has sought to develop innovative and new ways of working that will not only maintain current investment but indeed radically increase its scope and scale.

- 8.3 The move to a longer term programme has enabled for the first time an effective local consultation process. This has enabled a fit for purpose road maintenance programme that not only meets the technical need but also wider local aspirations and concerns.

9 REASONS FOR RECOMMENDATIONS

- 9.1 The operation will replace 90km of the Waverley road network and realise £16m to £20m in savings over five years, all of which will be fully re-invested in the highway network.

10 WHAT HAPPENS NEXT

- 10.1 Following Committee endorsement of the Operation Horizon programme detailed in Annex One, the following actions will be delivered, subject to confirmation of the five-year funding programme by the Cabinet on 26 March 2013:

April 2013

- Operation Horizon programme published to residents and communities
- Detailed Year One programme published confirming proposed dates for each specific scheme.
- Re-surface programme commences, with monthly updates to Surrey county councillors and impacted residents

March 2014

- Officers provide annual report confirming progress in delivering year one schemes and proposed dates for Year 2 programme.

LEAD OFFICER: Mark Borland
TELEPHONE NUMBER: 0208 541 7028
E-MAIL: Mark.borland@surreycc.gov.uk
BACKGROUND PAPERS: None