

### Key Issue

To update the Committee on the progress of the asset and risk improvement “capital programme” 2013-17 funded by Surrey and Hampshire County Councils.

### Summary

A substantial improvement to the Canal’s condition has been made through the existing capital funding, but £6.7m of identified repairs and improvements have been identified. Both owning authorities remain committed to reducing the arrears of maintenance backlog.

### Officer’s recommendation

That the Committee note the contents of the report.

## 1 Introduction & background

In 2010 Surrey and Hampshire County Councils allocated a capital budget of £700k each to address a serious backlog of heavy maintenance which had built up since the opening of the restored Canal in 1991, which resulted in the closure of the Deepcut flight of locks for safety reasons in 2009. The three year programme was completed under a joint term contract in 2013, and allowed the Canal to reopen to navigation at Easter 2013.

A further £2m was allocated by each of the owning authorities in 2013 to continue addressing a backlog of deferred heavy maintenance.

## 2 Completed works 2014-17

The additional £2m allocation was intended to cover a 3 – 4 year programme of works, a detailed breakdown of the projects completed are appended as *Annexe 1 – Capital Works 2014-2017*.

During 2014 the works programme was prioritised according to 5 point scale based on risk reduction, with items in bands 1 & 2 and some items in band 3 being prioritised – this is detail in both *Annexe 1 & 2*.

### Surrey

In Surrey good progress has been made in dealing with priority items identified in improving asset condition and reducing risk associated with principle assets identified in Principle Engineering Inspection [PI] as being of low serviceability (i.e. where risk and condition combine).

Of particular note the following items have been dealt with:

- Lining of Ash Embankment to resolve seepage (jointly with HCC)
- Bank protection on several key sections of raised embankment
- Replacement / repair of culverts under the canal
- Backlog of tree safety works
- Lock repairs (with those in 2016 following a second PI of some locks)
- Purchase of emergency and maintenance equipment for the BCA

Approximately £545,000 of the £2m remains unspent at the end of the 2013-17 programme. This is mainly due to the logistics of doing a substantial programme each winter with a small team requiring areas of Canal to be drained, not a lack of priorities.

#### *Hampshire*

Unfortunately, the Hampshire programme has become dominated by the repairs to the landslip which occurred at Tundry Hill, Dogmersfield in March 2013 – this has taken 3 years and nearly half the allocation to repair.

Despite this a programme of other prioritised repairs has been achieved, of key note:

- Lining of Ash Embankment to resolve seepage (jointly with SCC)
- Bank protection on several key sections of raised embankment
- Backlog of tree safety works
- Replacement / repair of culverts under the canal
- Purchase of emergency and maintenance equipment for the BCA

Approximately £829,000 will be left at the end of the 2013-17 programme, but over 3/4 of this is already committed to the completion of the Dogmersfield Landslip and the ongoing bank protection programme.

### **3 Planned programme 2017-18**

#### *Surrey*

Surrey County Council will be re-profiling the remaining capital over the next three years, and adding to that £150,000 of new capital in each of these years, giving a budget of approximately £330,000 per annum in 2017-20.

Key priorities for repair over 2017-20 will be:

- Repairs to further **locks** following second PI
- Repairs to **weirs and sluices** following overdue first PI
- **Bank protection** in further sensitive locations
- Repairs to Heath Vale Road Bridge following towpath failure
- A limited amount of programmed **dredging**
- Replacement of stop gates at Frimley Aqueduct

A number of improvements are also planned:

- **Scotland Bridge Car Park** – improve badly worn surfaces, safety improvements and enable a pay & display system to be implemented in future to augment BCA revenues
- **Woking Town Wharf** - match funding for Woking Town Centre improvements

#### *Hampshire*

Only a limited amount of capital will remain following the completion of the existing Dogmersfield landslip, and bank protection programmes which remain on-going at the time of writing.

The key items for 2017/18 will be repairs and improvements to North Warnborough sluice and the completion of the inspection of Whitewater Aqueduct.

### **4 Beyond 2018**

A great deal of work remains to be carried out to ensure all of the Canals assets are in a serviceable condition, with £3.7m of identified works in Surrey, and £3m in Hampshire, currently unfunded. During discussions with

Canal & River Trust [CRT] in 2015/16 they used a formula to calculate an “arrears of maintenance” position which arrived at a remarkably similar figure.

To ensure that the Canal’s assets are brought up to and maintained in a serviceable condition the backlog of maintenance will continue to need to be addressed. In addition to addressing the backlog, the Canal’s assets will continue to cyclically decline and require renewal. With the BCA’s revenue position increasingly under pressure some items, such as the lock gate replacement programme, may need to sit within the capital programme in future – indeed it can be argued that it is actually a capital cost anyway.

The main unfunded items remain **dredging** and **bank protection** (they are to some extent linked with back fill for bank protection being won from dredged materials). Much more is now known about dredging than previously as a complete channel survey has been carried out – around 43,000m<sup>3</sup> of silt is currently within the assumed as built profile, with areas of Hampshire being more out of tolerance than Surrey. The current “assumed arrears of maintenance” for dredging is a worse case figure and is likely to reduce as further analysis is carried out on the depth survey data. Dredging is now required for both navigation and conservation reasons, with some evidence that plant communities are suffering from increased levels of silt.

Whilst Surrey has provided a limited amount of additional funding for the next 3 years, this will not make significant inroads into the large areas of required spend for bank protection and dredging, understandably concentrating on lock maintenance.

Hampshire County Council is currently considering its position in respect of an additional capital allocation for future works, but is committed to addressing the arrears of maintenance.

It is anticipated that as part of continuing discussions, CRT will carry out some form of sense check, that the current identified works would also form priorities for them.

A detailed breakdown of the proposed programme for 2017-20 and all unfunded works are included at *Annexe 2 – Capital Works beyond 2017*.

## 5 Equalities & diversity implications

The works are targeted at making the Canal safer for all residents and visitors, there are considered to be no significant equalities and diversity impacts.

## 6 Crime & disorder implications

There are considered to be no major Crime and Disorder implications for the remainder of capital works programme.

## 7 Conclusion and recommendation

The capital maintenance plan is now included in the *Canal’s Operational Plan*, and dovetails with the BCA’s works programme. This ensures that works either identified through inspection or cyclical maintenance issues are appropriately programmed or added to a waiting list pending further funding.

The owners remain committed to funding the arrears of maintenance programme, as this will form a strand of their ongoing discussions with CRT to form a secure future for the Canal.

## 8 What happens next

- The JMC will be provided updates of officer’s actions in completing the remaining capital programme, and items added to the funding waiting list

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