

# CHESHIRE EAST COUNCIL

## Cabinet

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<b>Date of Meeting:</b>	11 <sup>th</sup> February 2015
<b>Report of:</b>	Lorraine Butcher, Executive Director of Strategic Commissioning
<b>Subject/Title:</b>	DfT Local Highway Maintenance – Challenge Fund Bids
<b>Portfolio Holder:</b>	Cllr David Topping, Service Commissioning

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### 1.0 Report Summary

- 1.1 This report seeks Cabinet approval to endorse the funding bids submitted in Tranche 1 of the DfT Challenge Fund (Actual bid documents to follow as an Appendix to this report). The funding will help maintain and improve existing local highway infrastructure between 2015/16 and 2017/18.
- 1.2 The maximum allowable bids are one £5-20M bid and one £20M+. The submitted bids will utilise our maximum allowance and will cover a major maintenance scheme on the A51 at Wardle, and a significant upgrade of our street lighting assets including column replacements and upgrades to LED lanterns.
- 1.3 The bids will have a positive impact on the local economy, residents and businesses within Cheshire East, by upgrading the efficiency of the street lighting asset, and improving a strategic traffic corridor.

### 2.0 Recommendation

- 2.1 That Cabinet endorse the submission of the two funding bids.

### 3.0 Reasons for Recommendation

- 3.1 The purpose of the Challenge Fund is to enable local highway authorities to bid for major maintenance projects that are otherwise difficult to fund through the normal needs allocations received through DfT. Cheshire East Council supported the idea of the Challenge Fund through the recent local highways maintenance funding consultation.
- 3.2 The authority's street lighting columns and lanterns are of a variable age and condition affecting the level of maintenance and efficiency of the lighting units, the older infrastructure has been recognised as being more costly to maintain. Renewal of the older columns and replacement of the lanterns with more energy efficient LED heads is already being delivered through the Council's additional highway investment, this funding opportunity allows the acceleration of this programme to cover the whole Borough.

3.3 The A51 at Wardle forms part of a strategic route for Cheshire East between the M6 motorway Junction 16 and Nantwich / Chester / North Wales/ Ireland. Over a period of years there has been a steady failure of the highway retaining embankment that runs adjacent to the Shropshire Union Canal at this location and there are clear signs that the carriageway is destabilising and slipping towards the canal. The area of interest for this major maintenance scheme is located between the villages of Barbridge and Calveley where the road travels alongside the Shropshire Union Canal, the total scheme length is approx 2 miles.

#### **4.0 Wards Affected**

4.1 All Wards are affected by the proposal.

#### **5.0 Local Ward Members**

5.1 All Ward Members are affected by the proposal.

#### **6.0 Policy Implications**

6.1 The bids will actively contribute to the delivery of the Cheshire East Council Three Year Plan outcomes:

- Outcome 2: Cheshire East has a strong and resilient economy
- Outcome 4: Cheshire East is a green and sustainable place

#### **7.0 Financial Implications**

7.1. To ensure strong local commitment the bids require a minimum of 10% local funding. In the case of the Street Lighting bid we will have more than 10% allocated for 2015/16 which we can include – the bid would be delivered over a three year programme and the local funding can be allocated in any year so we will be able to demonstrate the strong commitment being sought.

7.2. The second bid at Wardle will require around £1M local contribution, which will be funded from the highway capital budget. These works will require a 4-6 month closure of the A51 to complete, delaying could have a major impact on local businesses if the road failed with no funding secured.

#### **8.0 Legal Implications**

8.1 Regarding the power to apply for and receive and make use of funding for the purposes for which it is granted, then apart from any particular power to do so in any highways legislation, the general power of competence contained in Section 1 of the Localism Act 2011 would allow this; moreover, Government has invited applications for this funding.

8.2 Grant funding is usually made subject to conditions on the use of and timing of spend and may be subject to the completion of a funding agreement which may include monitoring and reporting conditions so that DfT can monitor the progress of the projects. The actual conditions of payment of the grant (and whether the DfT will seek to

reclaim payments via clawback provisions) are not known at this stage. However, DfT have stated that they will not be liable for any overruns in costs or for delivery slippage such that any costs incurred over the DfT's agreed maximum or any spend incurred following the 31<sup>st</sup> March 2016 would be borne by the Council.

- 8.3 If the Council intends to tender for services using the grant funding then the Councils Contract Procedure Rules part E and the Public Contracts Regulations 2006 apply and compliant procurement processes will need to be followed.

## **9.0 Risk Management**

- 9.1 The major risk lies in the delivery of the street lighting proposal. The 3 year programme is ambitious given the scale of the task, however discussions with our Integrated Service Provider, Ringway Jacobs, and our supply chain partners have allowed us to develop a delivery programme which meets the DfT requirements.

## **10.0 Background and Options**

- 10.1 The Council's street lighting upgrade proposal will be delivered in the medium to long term, however the bid allows us to accelerate this and achieve the added reliability, revenue savings, and carbon reductions at a much earlier stage.
- 10.2 Previously the A51 at Wardle has been maintained to eliminate the immediate danger caused by the cracking. This has been achieved through resurfacing those sections with the worst affected cracking. This activity has not dealt with the root cause and is only a short term fix which has lasted for a couple of years before the cracks have reappeared and dropped to a level causing a danger to the travelling public. In order to prevent future movement the embankment will require substantial strengthening for the majority of the length where the road is located next to the canal. This will be achieved through the installation of a row of sheet piles driven through the embankment into the lower ground locking the embankment in place. Due to the lower levels of the road foundation being compromised and weakened it is proposed to fully reconstruct the carriageway from the foundation up.

## **11.0 Access to Information**

- 11.1 The background papers relating to this report can be inspected by contacting the report writer:

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