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Highways & the Impact of Covid-19

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Today's Presentation

- The last ten months
- Our weather during 2020
- The Impact of Coronavirus on Highways
- 2020 Budget & infrastructure spend
- Revenue's ongoing crisis
- Risk based approach
- A couple of simple do's and don'ts

The Last Ten Months

There has been a lot going on over the first ten months of the year.....

- Severe Weather
- Brexit
- HS2 & Northern Powerhouse rail
- Heathrow runway 3
- Local government settlement
- March 11th Budget
- DfT Challenge Fund
- PM's Build Back Better initiative



..... and of course there's Coronavirus which has is the biggest challenge we have faced in a generation!

2020 – Not exactly a quite year for Weather!

Following a reasonably quiet winter maintenance period we have experienced a number of named storms crossing the UK

- Brendan (11th January **2020**)
- Ciara (5th February **2020**)
- Dennis (11th February **2020**)
- Jorge (27th February **2020**)
- Ellen (18th August **2020**)
- Francis (24-26th August **2020**)



2020 – Not exactly a quite year for Weather!

In August we experienced a heat wave:

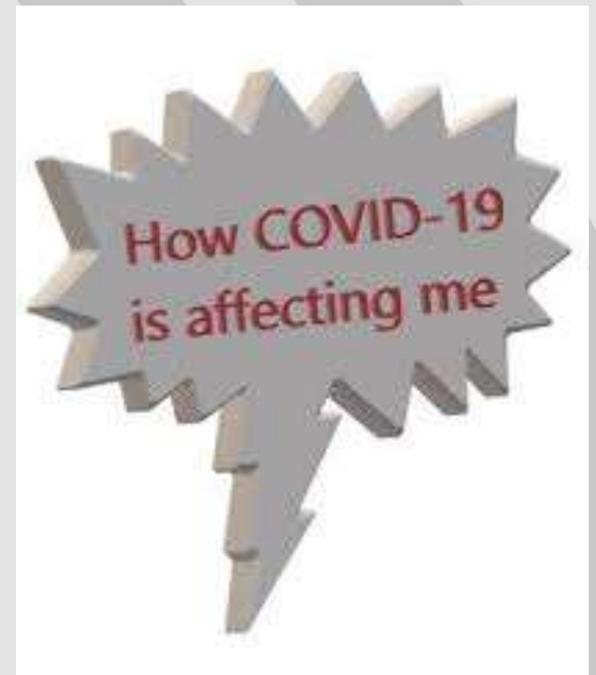
- Temperatures reached 34C or more for six consecutive days.
- 5 tropical nights were recorded as temperatures stayed above 20° overnight
- 37.8° C recorded at Heathrow



The Impact of Covid-19 on Highways

The onset of Covid-19 and the subsequent national lockdown created a number of difficulties for the Highways Sector:

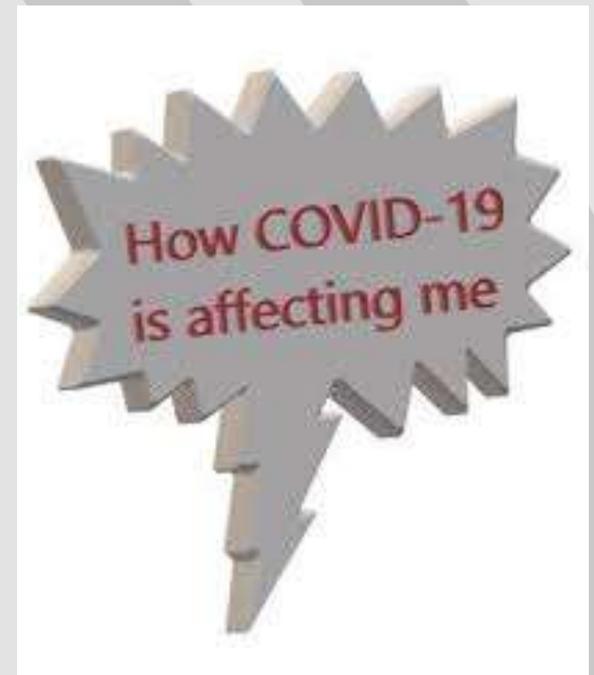
- All works stopped until new procedures could be put in place to allow staff to return to site based work.
- Programs of work have been delayed.
- Office based staff and those connected with areas such as design and management were immediately placed on homeworking creating a delay in future scheme planning.
- Many areas of the supply chain were initially shut down creating problems obtaining materials and supplies.



The Impact of Covid-19 on Highways

The onset of Covid-19 and the subsequent national lockdown created a number of difficulties for the Highways Sector:

- Staff required some element of re-training to enable them to work in Covid safe ways.
- PPE necessary to work safely was in short supply initially, and the price has subsequently risen due to extra demand.
- Pressures were immediately put on Local Government funding and resources to help protect & assist the local community.
- Training provision has continued to suffer with travel and staff arrangements continuing to be restricted by employers.
- Contracts and costs may need to be revisited.
- Reduction in the use of public transport and more private car journeys now being made.



2020 Budget & Infrastructure Spending



- HS2
- RIS2
- Northern Powerhouse Rail
- Levelling up the regions
- Walking and cycling
- Public Transport
- Airport expansion
- Highways & Transport spending potentially £33.8b across 5 years

DfT & its Funding Streams

- Transforming Cities Fund
- National Productivity Investment Fund
- Housing Infrastructure Funding
- Safer Roads Fund
- Potholes Action Fund
- Local Highways Maintenance Funding – Needs Element
- Local Highways Maintenance Challenge Fund
- Local Highways Maintenance Incentive/Efficiency Element Funding



- Local Growth Fund
- Sustainable Travel Access Fund
- Major Roads Fund.

The Ongoing Revenue Crisis

Following a decade of Austerity and Local Government cuts there is an obvious legacy of Revenue pressures that still exist.

As Local Authorities up and down the country face increasing pressures on their budgets, particularly due to additional funds needed to protect the more vulnerable in society, our ongoing revenue crisis continues.

In the words of Job 1:21

“the Lord giveth and the Lord taketh away”

But perhaps in our case it's

“The DfT giveth and MHCLG taketh away”

It is good news that Local government funding to be increased by 4.4% but still down 51% since austerity and too many 'rainy days' have already depleted resources

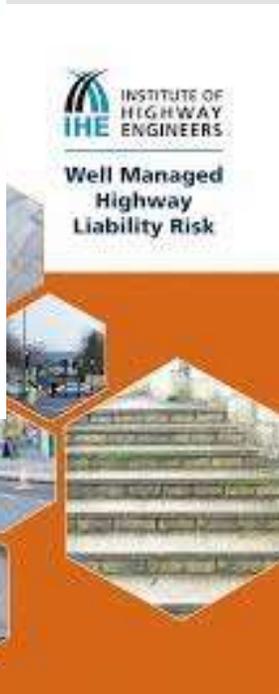
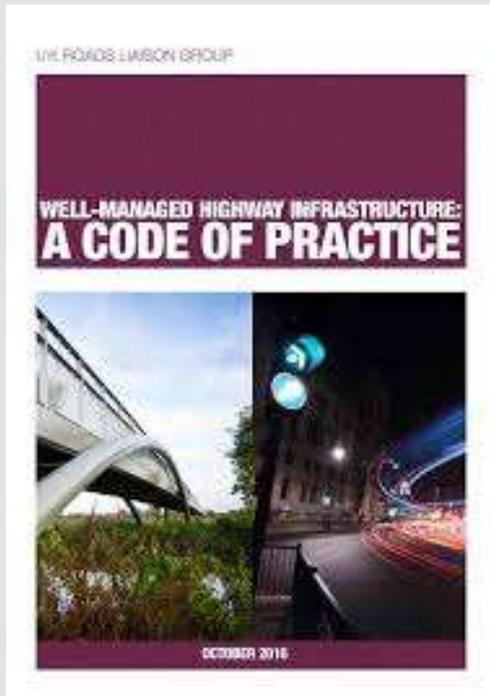
The Ongoing Revenue Crisis

- Recent LGA submissions indicate approx £9.8b is needed to deal with the maintenance backlog over 10 years.
- This year's ALARM survey supports this in its results indicating:
 - Shortfall in annual C/Way maintenance budget - £826m
 - Frequency of road surfacing is now approximately 66 years
 - Number of Pothole filled last year is estimated at 1.5m
 - Total annual cost of filling pothole – approximately £86.4m

HE maintains just 2% of the roads network but gets 43 times more funding per mile than local roads with no capital /revenue split for HE



Risk Based Approach

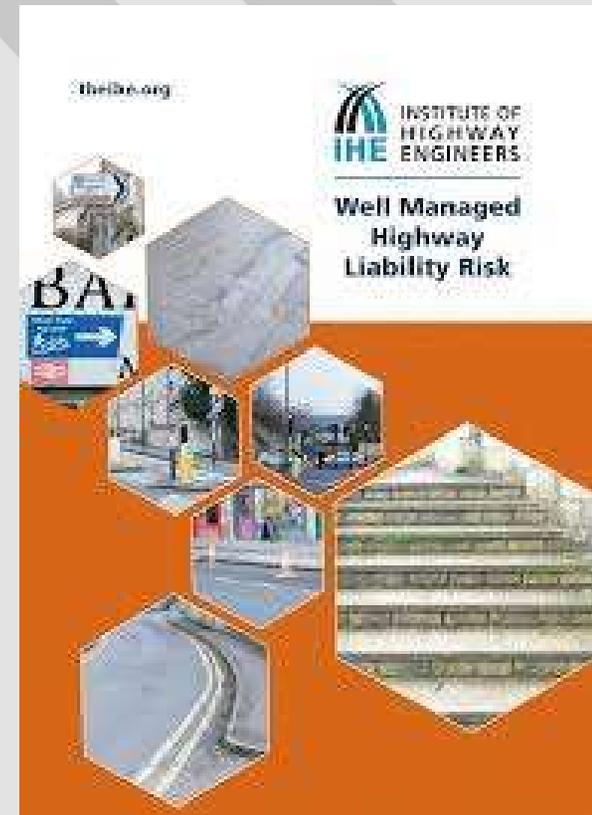


- In place since October 2018
- Little reference to revised policy in litigation
- Still no Authority challenged
- Some Authorities have developed appropriate response
- Many areas of service delivery not reviewed
- Litigation still an issue

Risk Based Approach

Conclusions

- RBA is not as fully developed as it could be.
- Consultation with stakeholders still needs improving.
- Senior officials need to have a better understanding of a developed asset management approach vs fixing potholes.



Risk Based Approach

Next steps

- Review RBA in line with ISO 31000
- Communication and consultation
- Establish local context
- Identify, analysis and evaluate risk
- Consider appropriate treatments
- Monitor and review regularly





Challenges for the Future

- Dealing with post Covid-19.
- Changing weather patterns.
- Changes to funding.
- New materials & technology.
- The Environmental agenda.
- Increasing availability & use of data –Smart Cities.
- Modal shift.
- Active Travel.
- Increase in the use of Electric vehicles.
- Autonomous Vehicles.

A couple of Simple Do's & Don'ts

Don't

- Don't Rest on your laurels.
- Doing the same is not an option.

Do

- Ensure asset management is embedded in all your policies.
- Ensure your policies are appropriately signed off & formally adopted.
- Continue to support staff training during this difficult period

Thank you for Listening