



## London Borough of Enfield

<b>Title:</b>	<b>Borough Capital Programme 2023/24 – Highways and Street Scene</b>
<b>Report to:</b>	Cabinet Member for Environment – Cllr Rick Jewell
<b>Date of Report:</b>	2023
<b>Cabinet Member:</b>	Cllr Rick Jewell
<b>Directors:</b>	Doug Wilkinson - Director of Environment and Street Scene Simon Pollock - Executive Director – Environment and Communities Department
<b>Report Author:</b>	John Grimes - john.grimes@enfield.gov.uk
<b>Ward(s) affected:</b>	<b>All</b>
<b>Key Decision Number</b>	<b>KD 5589</b>
<b>Implementation date, if not called in:</b>	
<b>Classification:</b>	Part1 Public
<b>Reason for exemption</b>	

### Purpose of Report

1. As the Highway Authority, Enfield Council has a duty under s41 of the Highways Act to maintain a safe and usable highway for all users. This report provides details of schemes to be funded from the Borough Capital Programme 2023/24 for Highways and Street Scene. It comprises a list of highways, highway structures, and seeks the necessary financial and scheme approvals so that works can be undertaken.

### Recommendations

That the Cabinet Member for Environment;

- I. Approve to spend the 2023/24 Capital Highways & Street Scene budget of £4,325,000, approved as part of the 10 year Capital programme, by Council on 23<sup>rd</sup> February 2023 (KD5502).
- II. Approve the proposed breakdown of funding as shown in table 1 and the proposed schedules of schemes associated with the breakdown for carriageways, footways, bridge maintenance, contained in Appendices 1 to 3 of this report.
- III. Delegate to the Head of Highways, Traffic and Parking and to the Head of Highway Operations to grant approval for the placing of orders through any existing relevant term contracts, or to issue invitation to tender / quotation, evaluation and award of individual scheme contracts as appropriate.
- IV. Delegate authority to the Director of Environment and Street Scene to amend the programme of works and funding allocations within the approved budgets as necessary for operational reasons.
- V. Delegate authority to the Head of Highways, Traffic and Parking and to the Head of Highway Operations to adjust the approved estimated costs of individual schemes within the Highways and Street Scene capital programme as a result of progressing the detailed designs, subject to costs being contained within the overall agreed programme allocations and to reporting of revised costs to the Director of Environment and Street Scene on a quarterly basis.

## **Background and Options**

2. As the Highways Authority, Enfield has a duty under s41 of the Highways Act to maintain a safe and usable highway for all users. The budgets for these programmes were included within the 10 year Capital Programme approved by Council on 23<sup>rd</sup> February 2023 (KD5502). as part of an ongoing commitment to highway maintenance.
3. Enfield’s highway network is probably the largest and most visible community assets, with 583km of carriageways and 1100km of footways with an estimated value of £768,000,000 for which Enfield is responsible and which is fundamental to the economic, social and environmental well-being of the community. The road, cycleway and footway networks are essential to travel and connectivity. The continued planned highway capital investment programme ensures that roads, pavements, associated structures are in a safe and usable condition so that they remain usable for all road users.
4. Local highway authorities should adopt asset management principles of ‘predict and prevent’ and planned works is an essential element in order to ensure the safety and resilience of the highway network. Any alternative to sustained levels of capital funding would go against prevention and proper asset management and the principles set out in Well Maintained Highway Infrastructure Assets: A Code of Practice, which all local highway authorities are expected to follow.
5. In line with Council capital budget allocation for 2023/24, the funding identified against programme items, within the approved budgets are shown in table 1 below.

Item Description	Allocation (£)
<b>Highways and Street Scene:</b>	
Programmes Managed by the Head of Highways, Traffic and Parking	
Carriageways - Renewal / Resurfacing Programme	1,100,000
Footways – Renewal / Resurfacing Programme	600,000
Highway Defects Improvement Programme	2,395,000
Bridge Improvement Programme	200,000
Minor Highway Improvement Schemes	30,000
<b>Total 2023/24 Capital Highways and Street Scene budget</b>	<b>4,325,000</b>

*Table 1*

6. Carriageways (£1,100,000): The carriageway surfacing schemes identified as being of highest priority for planned works treatment during 2023/24 are listed in Appendix 1, table 1. Table 2 contains a list of reserve / future schemes which will be substituted for the programmed schemes if, for any reason, a scheme needs to be postponed for network management reasons. Additional schemes will also be implemented from the reserve list if scheme outturn costs result in savings within the main programme. In

addition to the main schemes identified in Appendix 1, an allocation for smaller partial resurfacing has been included, which allows for appropriate treatments to be undertaken at specific locations or short sections of resurfacing in order to target the worst areas of carriageway where treatment.

7. Footway Replacement Programme (£600,000). The footway schemes identified as being of highest priority for treatment during 2023/24 are listed in Appendix 2, table 1 and include further phases to some larger schemes started in previous years. Appendix 2 also contains a list of reserve schemes (in table 2) which will be substituted for the programmed schemes if, for any reason a scheme needs to be postponed for network management reasons. Additional schemes will also be implemented from the reserve list if scheme outturn costs result in savings within the main programme.
8. Highway Defect Improvement Programme (£2,395,000). There is always a need to undertake reactive works on the highway network. These are smaller capital works by nature but high volumes which are required to make improvements to the highway asset network.
9. Bridge Improvement Programme (£200,000). This is critical for high priority structural works and improvements to be undertaken to bridges and culverts which will improve and extend the useful economic life of the assets. The schemes are identified in Appendix 3, table 1.
10. Minor Highway Improvement Schemes (£30,000), This allocation is generally used to implement minor capital works improvements where highway assets are continually being damaged, and works are needed to implement schemes which deal with the cause of the problem. The allocation is also used to improve the street scene through improvements and enhancements to street furniture, signs and guard railing etc. and to continue the ongoing programme of corroded signpost replacement.
11. During 2023, the Carriageway Resurfacing and Recycling Contract will come to an end and will be retendered and awarded. Rates are not confirmed yet but are likely to increase, which may affect outturn costs, particularly the carriageway renewal programme and therefore the extent to which the individual schemes outlined in Appendix 2 can all be accommodated. In line with paragraphs 6 and 7, the Director of Environment and Street Scene and the Head of Highways, Traffic and Parking will adjust the programme accordingly to ensure works are contained within the budget envelope.
12. The Highways and Minor Works Contract is currently operating under an extension. A new contact is being tendered and will either be brought into operation in November 2023 or at the start of the 2024/25 financial year. A number of schemes covered in this report are to be constructed and implemented through this contract. Rates are not confirmed yet but are likely to increase, which will affect outturn costs and therefore the extent to which the individual schemes outlined in Appendices 2 and 3, can all be accommodated. In line with paragraphs IV and V, the Director of

Environment and Street Scene, the Head of Highways, Traffic and Parking will adjust the programme accordingly to ensure works are contained within the budget envelope.

### Options Considered

13. Local highway authorities should adopt asset management principles of 'predict and prevent' and planned works is an essential element in order to ensure the safety and resilience of the highway network. Any alternative to sustained levels of capital funding would go against prevention and proper asset management and the principles set out in Well Maintained Highway Infrastructure Assets: A Code of Practice, which all local highway authorities are expected to follow. Any reductions in budget and therefore programme of investment and works is detrimental to this concept and will result in greater reactive maintenance, continued deterioration of the highway network and other associated assets, for which even greater capital funding may be required in the future. Highways Operations will continue its strategic review of the condition of the Council's adopted highway network, in conjunction with obtaining London wide and neighbouring authority benchmarking data, to support reviewing and gaining a better appreciation of the future budget requirements for the highway network.

### Risks that may arise if the proposed decision and related work is not taken

14. A sustained level of capital funding is essential to maintain the highway network. Any alternative to sustained levels of capital funding would go against the Code of Practice - Well Maintained Highway Infrastructure Assets, prevention and proper asset management principles, resulting in greater reactive maintenance and continued deterioration of the highway network and other associated assets.

15. Enfield Council has a duty under s41 of the Highways Act to maintain a safe and usable highway for all users. If this programme is not approved, it will compromise Enfield's ability to demonstrate compliance with s41.

### Risks that may arise if the proposed decision is taken and actions that will be taken to manage these risks

16. The key risks and their mitigation are shown in the table below.

<b><i>Risk Category</i></b>	<b><i>Comments/Mitigation</i></b>
<b><i>Strategic</i></b>	<b>Risk:</b> Approved schemes do not maximise prevention of deterioration of the highway network. <b>Mitigation:</b> The schemes are the result of surveys, inspections and analysis to prioritise schemes and optimise treatment.
<b><i>Operational</i></b>	<b>Risk:</b> Disruption during works. <b>Mitigation:</b> Works are planned, and residents / businesses informed. Works will also be co-ordinated to take account of other work in the area.

<b>Financial</b>	<b>Risk:</b> Cost escalation / underspend <b>Mitigation:</b> Contracts are in place to deliver the works at agreed rates. However, rates will increase during the year due to renewal of contracts and inflationary allowances. These will be managed. Reserve schemes identified to ensure full spend if some approved schemes cannot be programmed.
<b>Reputational</b>	<b>Risk:</b> Poor delivery of the programme <b>Mitigation:</b> Experienced contractors employed under direct supervision and management of council officers.
<b>Regulatory</b>	<b>Risk:</b> Failure to comply with statutory requirements. <b>Mitigation:</b> Experienced contractors used, ensuring compliance with all environmental, street works and health and safety requirements.

### Preferred Option and Reasons for Preferred Option

17. Approval of this report and programmes of work will allow the Council to continue to be compliant in the duty as the Highway Authority under s41 of the Highways Act to maintain a safe and usable highway for all users by investing and improving the highway network through the capital works programme set out in this report.

### Relevance to Council Plans and Strategies

18. Enfield's highway network is probably the largest and most visible community asset with an estimated value of £768,000,000 for which Enfield is responsible and fundamental to the economic, social and environmental well-being of the community. The road, cycleway and footway networks are essential to travel and connectivity. The continued planned highway capital investment programme ensures that roads, pavements, associated structures are in a safe and usable condition so that they remain usable for all road users. The planned highway capital investment programme ensures roads remain safe and serviceable, enabling safe and reliable journeys for the whole community and its needs and encouraging healthier forms of travel. The local economy is dependent on good and serviceable highway network, particularly for the passage of goods, services and people.

A well managed highway network supports all three of the Council's priorities-

- Good homes in well-connected neighbourhoods
- Safe, healthy and confident Communities
- An economy that works for everyone

### Financial Implications

*(Finance implications provided by Atul Lad on 26/05/2023)*

### Summary

19. This report is requesting approval to spend £4.325m, on the highways and street scene capital investment programme.
20. The 2023/24 capital programme presented to Cabinet in Feb-23 included a budget allocation of £4.425m for these works.

#### Revenue Budget Impact

21. Total value of works funded from borrowing is £4.325m. This will result in an annual financing charge to the revenue budget of £300k, based on an asset life of 25 years and an interest rate of 4.7%.
22. No other impact on the revenue budget

#### Capital Budget Impact

23. Total cost of the capital works is £4.325m. There is a budget allocation of £4.425 for these works in the 2023/24 capital programme that was approved by Cabinet in Feb-23. Therefore this will now reduce to £4.325m, a reduction of £0.1m to the capital programme.
24. The current capital programme has highways and street scene expenditure financed by £4.325m borrowing.
25. No other impact on the capital programme.

#### Borrowing impact

26. Programme will be funded by £4.325m borrowing which will result in annual financing costs of £300k based on an interest rate of 4.7% over 25 years
27. Borrowing can only be used as a funding source for capital spend. Capital spend is defined as all direct costs incurred to establish or enhance an asset.

#### Taxation

28. The council will reclaim all VAT on expenditure through its regular submissions for input VAT. No other known tax implications.

#### Accounting Treatment

29. Costs will be accounted for in compliance with the Councils capitalisation policy. Any costs that cannot be capitalised will be charged to the revenue budget.
30. All costs identified within the highways and street scene programme will contribute towards the enhancement of the highways asset and extend the useful life of the assets and therefore meet the criteria for capitalisation.
31. Below is the expected extension of useful economic life on each workstream:

- a. Carriageways renewal programme – resurfacing or surfacing roads, extend their useful life by more than 10 years
- b. Footways replacement programme – replacing footways extends their useful life by 15 years
- c. Highway defect repairs – reactive works across the network that combined enhance the useful life of the roads by more than 10 years
- d. Bridge improvement programme – structural works that increase the life of the bridge by 10 or more years
- e. Minor highways improvements – improvement of the highway’s assets through signage and furniture, when aggregated enhance the highway network

Risks

32. Main Risks and mitigations shown in the table below:

<b>Risks</b>	<b>Mitigations</b>
Costs increase	Contracts are in place to deliver the works at agreed rates. However, rates may increase during the year due to renewal of contracts and inflationary allowances. These will be managed through budget monitoring, as the service will only place order for works for which they have budget for. i.e if rates increase, LBE will commission fewer works to remain within budget.

**Legal Implications**

*(Note: The lawyer will insert his or her name here and the date of their approval/comments. Their initials should be deleted by the report author once the report is signed off by EMT)*

33. The Council is required as a best value authority under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness.

34. The Council has a general power of competence under section 1(1) of the Localism Act 2011 to do anything that individuals may do, provided it is not prohibited by legislation. This includes, pursuant to section 1(4):

- (a) power to do it anywhere in the United Kingdom or elsewhere,
- (b) power to do it for a commercial purpose or otherwise for a charge, or without charge, and
- (c) power to do it for, or otherwise than for, the benefit of the authority, its area or persons resident or present in its area.



35. The Council may exercise the general power of competence for its own purpose, for a commercial purpose and/or for the benefit of others. The Council, moreover, has power under s.111 Local Government Act 1972 to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions (which would include childcare functions). The recommendations within this report are in accordance with these powers.
36. The Highways Act 1980 places a duty on the Council as Highway Authority to maintain the highways for which it is responsible to an appropriate standard for their respective uses.
37. Any procurement of works and professional services relating to the proposals in this report should be carried out in compliance with the Council's Contract Procedure Rules (CPR), the public procurement regime and the Council's obligations relating to the obtaining of best value under the Local Government (Best Value Principles) Act (1999).
38. When commissioning public services, the Public Services (Social Value) Act 2012 requires the Council to think about how it can also secure wider social, economic, and environmental benefits.
39. The Council has a general duty under section 149(1) of the Equality Act 2010 (the Equality Act) to have due regard, in the exercise of its functions, to the need to:
- Eliminate unlawful discrimination, harassment, victimisation and any conduct prohibited by the Equality Act;
  - Advance equality of opportunity between people who share a protected characteristic and people who do not share it ; and
  - Foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation

40. Any legal agreements (and ancillary documents where relevant) arising from the matters described in this report must be approved in advance of contract commencement by Legal Services on behalf of the Director of Law and Governance.
41. Any legal agreements arising from the matters described in this report must be approved in advance of commencement, by Legal Services on behalf of the Director of Law and Governance.
42. This report constitutes a Key Decision under the Council's Constitution and, as such, must comply with the Key Decisions process.

*(Legal implications provided on 28/04/2023)*

## **Equalities Implications**

43. It is important to consider the needs of the diverse groups with protected characteristics when designing and delivering services or budgets so people can get fairer opportunities and equal access to services. An Equalities Impact Assessment was undertaken for the 2022/23 programme. It identified that the activities within this capital programme can make a significant positive contribution for some protected groups, but during works they could be more adversely affected. Where appropriate, further Equalities Impact Assessments will be carried out for specific schemes to ensure compliance to the Equalities Act 2010.

## **Environmental and Climate Change Implications**

44. Carriageway resurfacing operations will continue to make greater use of warm mix asphalt, asphalt rejuvenators, surface treatments and greater use of recycled materials. The asphalt industry is continuing to respond to climate change and carbon reduction. This also includes considering products by their durability, reflective property (albedo) and by their whole life carbon footprint to reduce the frequency of application.
45. Ethical and Sustainable Procurement Policy principles will be implemented when procuring carriageway maintenance and resurfacing contracts.
46. The specification of materials used in highway scheme works will be constantly reviewed in light of the continued development of sustainable, recycled and re-useable materials that give a whole life valued approach.

## **Public Health Implications**

47. Transport has obvious public health implications in terms of physical activity, air pollution and access to employment, shops, services etc. Climate change has been described as the greatest threat to public health in the 21st century.

## **Property Implications**

48. The streets, roads, pavements and bridges which are subject to works are all adopted public highway and therefore have no property implications.

## **Procurement Implications**

49. Any tender required in relation to this programme, outside of any existing term contract must be undertaken in accordance with the Councils Contract Procedure Rules (CPR's) and the Public Contracts Regulations (2015), this includes the use of the London Tenders Portal as necessary. Procurements of a value in excess of the Public Contract Regulations thresholds must be processed through the Procurement Services Assurance Process.

50. At the end of the sourcing process, authority to award any contract will be sought in line with the CPR's and Council's Governance. The Service Area shall ensure this procurement activity takes place via the Council's e-Tendering portal and will be promoted to the Council's Contract Register, and the upload the executed contracts/agreements.
51. All awarded projects must be promoted to Contracts Finder to comply with the Government's transparency requirements. Contact [Procurement.procurement@enfield.gov.uk](mailto:Procurement.procurement@enfield.gov.uk) for any support.
52. For any subsequent contract over £100,000 in value the CPR's state that the contract must have a nominated contract owner in the Council's e-Tendering portal.
53. For any subsequent contract over £500,000 in value, the CPR's state that the contract must have a nominated Contract Manager in the Council's e-Tendering portal and there must be evidence of contract management, including, operations, commercial, financial checks (supplier resilience) and regular risk assessment uploaded into the Council's e-Tendering portal.

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**Report Author:** John Grimes  
Head of Highway Operations  
[John.Grimes@enfield.gov.uk](mailto:John.Grimes@enfield.gov.uk)  
020 8132 0741

## **Appendices**

**#Departmental reference number, if relevant:** PL2223\_024