

COUNTY COUNCIL MEETING – 27 September 2022

Statement from: Councillor R G Davies Executive for Councillor for Highways, Transport and IT

HIGHWAYS

Major projects

Grantham Southern Relief Road

Phase 1 from the B1174 running towards the A1 is already complete.

Phase 2 which is the new graded separated junction on to the A1 completed December 2021. The junction is likely to open later in 2022.

Phase 3 is the final phase of the project and is the largest and most complex to deliver. It consists of a five-span viaduct carrying the road over the East Coast Mainline railway and the River Witham. Works commenced April 2021 and have focussed on extensive ground works, embankment construction either side of the Witham Valley and the installation of the bridge foundation piles. The piling works for the bridge piers commenced in January 2022 and the foundation for the western abutment has been completed.

There are complexities and challenges with the construction of the eastern embankment which are being developed. One of these issues is that the underlying ground is not as robust as the designer had anticipated or designed the bridge to sit upon. The result is that the bridge is being lengthened approximate 70m towards the East to avoid the area where the poor ground is situated. This will result in an approximate 18 months delay, pushing the completion back to Summer 2025. The project will also incur significant cost increases in excess of £15m. A full investigation is under way to understand how this has occurred and where the liability rests. This is being done in conjunction with the design remediation. Elsewhere the project is continuing well with the A1 junction planned to be open by the end of 2022 and the section between the A52 Somerby Roundabout and the development roundabout opening Spring 2023.

North Hykeham Relief Road

When complete, this new road will link the A15 Lincoln Eastern Bypass with the A46 Western Bypass at Pennells Roundabout to create a full ring road around Lincoln. The project also aims to:

- Assist the sustainable economic growth of Lincoln and Lincolnshire.
- Maximise accessibility to Lincoln.
- Improve journey times and road safety in Lincoln.

In December LCC was informed that the project had achieved programme entry approval from the Department for Transport (DfT), which also secured £110m towards the project from the DfT. A key decision to appoint Balfour Beatty as the Design and Build Contractor was approved on the 5th April 2022 who in turn will appoint a design consultant. The project has now entered the next key stage which focusses on data acquisition and design in advance of

a planning application being submitted in late 2023. Three public engagement events have been organised on the 13th, 14th and 15th September to ensure the public are informed on progress and to gain their views on progress being made. It is likely that works will commence late 2025, however the project is subject to many statutory processes and risks that have the potential to delay the scheme. It is also worth noting that current material inflation will have a significant increase of forecast scheme costs.

Spalding Western Relief Road (SWRR)

Section 5 (Northern Connection) – In February 2018 South Holland District Council in collaboration with LCC were successful in securing £12m from the Homes and Communities Agency (HCA) for delivering this section of the SWRR. Since then, a further £8.13m has been sourced from the HCA.

Works commenced in January 2022 with the construction of the two piling platforms to allow the c1000 number piles to be installed to support the bridge over the rail line. The focus over the next few months will be the installation of the bridge piling network and continue works on the proposed roundabout on Spalding Road. Works are programmed to be completed by the end of 2023.

Lincolnshire Coastal Highway

Lincolnshire County Council investigated potential improvements to the A158 across the county from the A1 to the North Sea coast, known as the 'Lincolnshire Coastal Highway'. This looked at the options for intervention along the route. In identifying improvements to the Highway, consideration was given to being future-ready, building in capacity to support growth, investigating options across a range of modes and building in resilience and lower longer term costs for management of infrastructure.

A Horncastle bypass concept paper was completed which identified expected costs and benefits. Due to the DfT scoring mechanism, the benefits are very low in comparison to the cost and therefore would not attract any central government funding. This project is therefore currently not being progressed but is included in the Council's pipeline of projects to consider in the future.

A Skegness Relief Road concept paper has also been completed which indicates a route that attracts a medium 'Benefit to Cost Ratio' score meaning that it may attract third party funding should a funding opportunity be presented. A further detailed feasibility of the potential road is now being developed.

A feasibility of an Orby bypass is also being progressed.

Levelling Up Fund Projects (LUF)

LCC submitted a bid to central government under the LUF initiative, this consisted of the following projects:

- A16/A151 Springfield roundabout capacity improvement.
- A16 Greencell roundabout (Spalding Power Station) capacity improvement.
- A16 Kirton four-way signalised junction – with associated small section of dual carriageway leading into and out of the junction along the A16.

- A16 Marsh Lane Roundabout – designated north bound lane.
- Boston Active travel schemes.

In October 2021 it was announced that the bid had been successful. Since the announcement the projects have all moved into detailed designs with a view to start on site in 2023 and be completed 2025.

There have been some concerns raised from the local community regarding the development of the Kirton signalised junction. A public meeting was held in July where the project team attended to answer questions and took away a large quantity of views and thoughts for the form of the proposed scheme. The team are now considering those views with regards the final form of the improvement scheme and potentially its viability.

A17 Heckington Dual Carriageway

LCC was successful with a funding bid of £50k from Midlands Connect to progress a scheme to a Strategic Outline Business Case Stage. This is matched funded by LCC to help build-up a sizable 'pool' of credible business cases. Midland Connect region can prioritise for submission to the DfT when the next major road network (MRN) fund and Regional Evidence Base process is called. A date for which is unknown at this stage, but it could possibly be in 2023.

LCC put forward the A17 Heckington dualling proposals which includes dualling the sections between the east and west junctions of Heckington and possibly some junction alterations. The Business Case is due to be completed Autumn/Winter 2022.

Red Lion Square

Red Lion Square lies at the centre of historic Stamford. The project will address the issues where the sand joints have failed due to vehicles and the public passing over the paving causing damage to the setts.

The project will provide a new paved surface that has the following benefits:

- The new paving will be aesthetically sympathetic and very similar to the existing paving.
- The new paving will have a design life of at least 20 years.
- The new paving will have deeper stone setts, a new mortar bed and new mortar joints which will reduce long-term maintenance costs.

The project has commenced on site in May however there have been delays due to a shallow gas main, amongst other utilities. This has now been resolved and the works recommenced 13th June, however the completion date has moved back to the end of October/start of November 2022. As the works now span the Burghley Horse Trials the project has planned to remove the traffic management during the weekend and then restart works after.

Highway Maintenance

Inflation within the construction sector continues to cause significant challenges for the Highway Service. Increasing material prices, skills shortages and supply chain disruption continue to hamper delivery. Inflation within the Highways Works, Traffic Signals and Professional Services contract means that the cost of the service is approximately 13% higher

in April 2022 than it was in April 2021. Since April 2022, monthly inflation has continued to increase at a rate of 3% per month and is continuing to rise at a faster rate than the Consumer and Retail Price Index.

% change	Prelims	Routine, Cyclic and Time Charge Works	Renewals and Construction Works	Professional Services	Machine Surfacing	Hand Surfacing/Patching	Surface Dressing	Road Markings	Street Lighting	Vehicle Maintenance	Columns
Year 1	1.14%	1.85%	0.91%	0.06%	-1.84%	-0.32%	-1.68%	-1.41%	0.38%	1.34%	0.91%
Year 2	1.08%	1.25%	0.91%	2.62%	0.00%	0.25%	-2.17%	0.78%	2.21%	1.99%	0.91%
Year 3	4.87%	5.36%	8.58%	3.36%	5.72%	5.71%	10.98%	5.22%	6.13%	4.48%	56.39%
Apr-22	9.35%	9.80%	17.03%	8.14%	17.14%	14.91%	26.68%	10.54%	10.33%	7.66%	98.03%
May-22	11.53%	11.13%	19.51%	13.19%	18.88%	16.65%	28.60%	13.45%	12.11%	9.06%	95.56%
Jun-22	12.67%	12.29%	20.98%	13.45%	19.89%	17.88%	31.88%	15.46%	13.07%	10.30%	93.78%

Since the start of the contract on the 1st April 2020, key elements of the service (Surface dressing 31.9% / Machine Surfacing 19.9%) have risen dramatically as a result of oil and gas price rises. The combined Capital and Reactive budget for the Highway Maintenance service for 22/23 is approximately £82 million. The inflationary pressure since the start of the contract has reduced the buying power of the service by approximately £19.3 million. The consequence of this, is that less service can be delivered in comparison to previous years and strain is being placed on the contract, the partners and supply chain in Lincolnshire. However, even with these challenges, LCC Highways and its strategic delivery partners are working hard to mitigate the impact of this.

Highways Works (Balfour Beatty)

One of the main focus areas of the Highway Works contract continues to be the delivery of the reactive service. The scale of demand, resource requirements and commercial pressure within the contract are challenging, but all parties involved (including the supply chain) are making the required improvements. Since March 2022 the number of live jobs within the system have continually reduced from highs of 8200 to the current level of approximately 3000. Maintaining a figure of 3000 and lower will enable the service to deal with the demands placed on the service in line with the Highways Infrastructure Asset Management Plan. The improved position in relation to the number of live jobs has meant that for the first time since the contract started it is anticipated that PI3 is likely score during Q2 of 2022.

Traffic Signals (Colas)

Within the Traffic Signals contract, both capital and reactive work programmes continue on schedule based out of the main office in Grantham. Colas have completed a major CCTV upgrade within Lincoln, Grantham and Boston. LCC are now finalising the CCTV access in a software system that combines all the video feeds. Once complete, the project will provide improved visibility of the network and will be remotely monitored by the LCC Traffic Signals Team.

Professional Services (WSP)

In combination with the LCC Technical Service Partnership, our design partners WSP continue to deliver a busy programme of works, offering top up advice and support on highway design, transport modelling and other specialist advice. WSP continue to offer professional service to a number of clients across the Place directorate.

Councillor Volunteering Days

As part of the Councillor Volunteering Days schemes, there have been 10 schemes completed to date and guidance, designs and costs have been issued for all other schemes received in 2021/2022 to assist Parish Council/Community Groups with consideration of future community projects.

Schemes in 2021/2022 have included various types of works, including a new patio and parking area for a scout hut, painting of 3 playparks, improvements to a layby area to reduce anti-social behaviour, new slabbed area in the centre of a village and a new footpath/trail through woods.

The schemes carried out have all been extremely well received and many compliments have been received from the applicants, as well as from members of the communities.

There have been 5 applications received for 2022/2023, one scheme has already been completed. This work involved clearing/restoring an old disused basketball court which has allowed the Parish Council to bid for funds from a Sports Grant to get the court back into use. The others will be carried out over the next few months and include improvements to church gardens, a cricket club (painting of equipment), and improvements to a rural track. Many groups assisted so far have stated that they would not have been able to do the works without our volunteering efforts. The schemes have many benefits including improving accessibility, improving facilities for fitness/wellbeing, and improving the appearance of village/community spaces.

The 3 main Contractors (Balfour Beatty, Colas and WSP) have been involved in the schemes and we also have had additional volunteering from some of our Sub-Contractors including RSM, Minsters and Maplebeck and the offer of assistance has also been received from other sub-contractors for future schemes.

Passenger Transport

Public Transport and Education Travel Updates

The passenger transport industry continues to face numerous pressures, including operating costs, driver and passenger assistant shortages continuing, passenger demand not returning to pre-covid levels for public transport and the level of passengers with more complex needs continuing to increase. These pressures continue to have an impact on the commercial viability of all transport operators, from small and medium taxi companies through to the larger bus operators. As a service, the impact is on the increased prices transport operators are requesting, through negotiation and through formal tenders. A budget forecast exercise will be undertaken in September, focusing on educational travel where savings are required – the expectation is that savings will be delivered, despite rising contract prices due to the transformation activity underway.

Public Transport Services

Support from the Department for Transport (DfT) through recovery grants was ending in September, but this has now been extended until March 2023, in recognition of bus services

still being in a recovery period post covid. The County Council has decided to continue by paying for concessionary bus pass reimbursement at pre-covid levels, with a gradual reduction, in order to support services.

The uncertainty and fragility of the bus network post April 2023 is concerning. The increased operating costs (fuel, pay increases) are well documented. Bus operators are reviewing and changing their current routes at an alarming rate to try to mitigate the risks; and the Council has had to intervene in some areas by subsidising bus services that were previously wholly commercial. A good example of this is our intervention in the Spalding IntoTown Service, which was no longer commercially viable, and the operator had trialled timetable changes and limiting operating times. Due to the importance of the service for residents, the Council now subsidises it, enabling a wider serving area and longer operating hours. This is at a significant cost to the Council, and as this is becoming an increasing issue across the county, Transport Services is initiating the following:

- Proactive engagement with residents, local County Councillors and operators to encourage sustainable passenger growth.
- Driving a promotion campaign, in partnership with the Enhanced Partnership bus operators, to encourage those with bus passes to travel – using the strapline ‘Freedom Never Gets Old.’ The campaign has generated interest from the Department for Transport and was reported in one national newspaper.
- Undertake a fundamental review of the current network, in partnership with operators and using temporary resource funded by a one-off grant from the DfT, in order to review the county’s supply levels against demand expectations, and work towards creating the most efficient and sustainable network possible. The review will include exploring the opportunity to further integrate the current local bus network with as much scholar movement as possible.

We will continue to work with bus operators to protect bus services in Lincolnshire, within our financial constraints. This includes continuing with the Enhanced Partnership which is seen by the DfT as a key mechanism to attract future funding opportunities. We have been appointed a relationship manager and will be meeting soon.

Educational Travel

The transformation programme continues at pace, with activity categorised into 3 key areas: Efficiencies, Performance culture, and Shifting the offer.

A service-wide restructure consultation started in July, and the proposed new structure will be an essential springboard to establishing a high performing service. The new structure will be in place in February 2023.

In readiness for the start of the 2022/23 school year, the first in a series of major retendering exercises over the next 2 to 3 years has been completed, utilising a newly created Dynamic Purchasing System. Initial results from the first set of tendering auctions are showing reductions in the cost of routes against a general backdrop of rising prices, and each geographical area has seen a reduction in routes through optimisation work. Underpinning this and as a direct result of intensive engagement with suppliers; 300+ suppliers are now actively engaged, compared to 200 active suppliers previously. By the end of September, the

financial implications of this will be projected through a budget forecast exercise, also enabling confirmation of the planned savings profile of circa £5m over 3 years.

This year's preparation for the new school year has been more organised and effective than previous years, but there remains improvements to be made – all of the transformation activity including the restructure will underpin this development. There remain significant issues regarding parental expectations surrounding educational travel, which is a key workstream of the transformation programme and one that will be prioritised once the new school year has started, as well as this being managed through the daily communications at this busy time.

A new performance dashboard is being created and will be operational by the end of September, to enable the service to focus on performance management and be able to report on key measures and trends, not least of which is the need to make savings.

IMT SERVICES

IMT Services

It has now become clear demand for IMT services across the board is now returning to pre-covid levels. A variety of factors seem to be driving this, including an active corporate change and transformation programme, current working practices, departments seeking to exploit capabilities of new software platforms and changed user expectations.

This comes at a time when IMT is running at a reduced capacity due to severe recruitment challenges and the loss of eight out of an establishment of 33 internal IMT staff in the last twelve months and the projection of ten vacancies. Serco are being similarly affected and have also lost a significant proportion of their senior IMT management team in recent months.

IMT is revising its incoming work triage process to enable some difficult decisions with regards to prioritising incoming work and the resources needed to deliver it. This needs to be achieved without creating a start-stop project behaviour given the intrinsic inefficiency of delivering in that way. There is also a need for more effective work planning in demand for IMT services moving away from a mostly short notice and reactive engagement model.

IMT are working with HR to improve retention of staff - triaging and reducing workloads is a significant factor in improving staff retention. Difficulty in recruiting new staff continues and efforts to address this continue. The view across our sector seems to be that staff can be attracted and hired, but it takes much longer than previously.

Corporate Services Review

The IMT Management team by necessity continue to spend significant time on the programme to re-procure the IMT support services. Service design work is completed to a level that has allowed the development of the specification for the procurement documentation, and those specifications are well advanced and nearing completion with the program on target timeline.

Wide Area Network procurement in conjunction with EMPSN is approaching completion as the final legal work and contracts are due for signature at the time of writing.

Data Services

The Data Services Team are well progressed, preparing data sets for the Corporate Performance Reporting Team and other work is under way to revise the tooling for that team with the aim of supporting greater agility in the reporting function.

IMT Projects

The IMT Projects section still has significant technical resource engaged in the preparatory work to affect the BWO to Hoople migration. This has required some other planned work to be deferred to accommodate new requirements discovered within that programme and the high priority ascribed to that outcome.

The project to deliver the maintenance upgrade to the Avaya telephony, successfully migrated the contact centres and office handsets over two weekends to the current software version; this now allows us to decommission many tens of servers with an out of support operating System, and this moves our Cyber Security Risk remediation project forwards as we approach the last remaining servers. Procurement of the next generation contact centre is progressing well and this also contains the incorporation of “Telephone Voice” within Microsoft Teams for those staff that still need it. It also delivers our migration away from “ISDN” services being turned off nationally in phases by BT.

The Azure migration reported in the last statement is now delivering benefits realisation and cost projections have been on target.

The technical program continues to progress our Cyber Security improvements and remediations and is also focused on a BAU uplift of our WiFi services across all sites over the next 24 months itself within a greater network segregation and cost engineering programme.

LINCOLNSHIRE BROADBAND UPDATE

LCC/BDUK ongoing Contract 3

Contract 3, (the provision of ultrafast broadband to circa 8K premises in areas prefixed by postcode LN and DN), has now upgraded 4650 premises; with these premises able to opt for download speeds up to 100Mb/s (Ultrafast Broadband), moving up to 1Gb/s over the coming months as a result of equipment upgrades.

The early deployment stages were hampered by the worldwide lack of semi-conductors which delayed equipment availability, but we are pleased to note that this situation has eased significantly, and we are on track to complete the 8K premises by the end of December 2022. We are still having issues with third party provisions such as power supplies as a result of delays at their end due to contractor manpower.

Towards the end of this calendar year, we are looking at investing additional, existing funding to extend coverage under this contract. That coverage will be in the form of Fibre To The

Premises (FTTP) and will enable those premises upgraded by this deployment to enjoy gigabit capable speeds.

We are still working with our supplier to progress gigabit capable fixed wireless broadband and this will then go to formal approval by BDUK. It is considered that this technology will be needed to provide gigabit capability to the more remote rural areas, given that the cost of FTTP remains a real barrier to both commercial and public investment. This solution is based upon a 5G technology and despite the concerns that exist around 5G, it is entirely safe and sits within the non-ionising radiation spectrum as does existing 3G/4G mobile.

Project Gigabit

Project Gigabit is the latest version of the Government's £5 Billion scheme to extend gigabit capable broadband to the 20% of UK premises deemed non-commercially viable for private investment. The project is being run by BDUK, but Local Bodies are expected to work in partnership with BDUK through the procurement and deployment stages.

The plan is to break up the UK into what BDUK term 'Lots' (groups of geographical areas) that will go to tender for a provider to bid for. There are two Lots that currently affect Lincolnshire, Lot 10 which is an area that forms roughly concentric circles around the outer areas of Lincoln and moves west to meet premises in Nottinghamshire. Lot 23 covers the remainder of the county and includes N. and NE. Lincolnshire.

Lot 10 has completed an Open Market Review and a Public Review. It is expected that Lot 10 will go to Tender in September of this year and then will commence physical deployment in late summer 2023. At this point in time, there are roughly 12.5K premises that are deemed eligible within this 'Lot'. Lot 23 will go to Tender in late 2023, with a view to completing deployment by the end of 2025/early 2026.

It should be mentioned at this point, that despite efforts to lobby for earlier deployments in the county, BDUK are sticking to their timetable, although they have been persuaded to bring the Open market Review forward for Lot 23, which is now complete and we are awaiting the details. The earlier than expected results will allow us greater visibility of what is left for upgrade (eligible) sooner than expected. This will help drive strategy going forward as we work with BDUK to upgrade as many of the remaining premises as possible. The broadband team are currently working with them, in an effort to identify smaller Lots within the county that may be released sooner, given that we anticipate the original eligible premises count to be significantly reduced as a result of increasing commercial activities, as is the case with Lot 10.

The Gigahub Scheme:

The broadband team are currently collaborating with colleagues in both N. and NE. Lincs, along with emPSN colleagues in an effort to put together a Tender for the connection of rural 'hub sites' across the three areas. The hub site will be a public building in a rural location that will be connected to the nearest telephone exchange/fibre aggregation point via full fibre connectivity. This provides the dual benefit of utilising public funding to provide a high-speed connection to a public building, with the spare fibre capacity being used to potentially connect adjacent premises and communities to full fibre.

It is further envisaged that the provision of the main 'fibre spine' utilising public funding will then encourage private investors to branch out from this fibre spine to rural areas that would otherwise be seen as non-commercially viable for private investment. LCC has identified 149 eligible sites that include primary schools, blue light buildings and doctor's surgeries, along with other public buildings. All of these sites are now formally approved as 'eligible' for progression by BDUK. We expect to obtain BDUK approval for our Tender document in August and it will then be issued to potential suppliers. There is a high level of interest in this scheme from the commercial suppliers already in the county.

Rural Gigabit Voucher Scheme

There are currently over 24 community schemes within the county that are at various stages of progression. The scheme encourages a community to express a collective interest in obtaining gigabit capable broadband connectivity, by way of drawing down BDUK 'vouchers' that will fund the provision. We see this as a very effective way for rural communities to obtain this connectivity which is at zero cost to them.

The plus point of this scheme is that, when a community has agreed a scheme with a provider, the full deployment has to be completed in less than 12 months under the service level agreement. Openreach has traditionally been the main organisation involved in this scheme and we meet with them fortnightly to discuss progress and further potential schemes that we are identifying by working with communities and by attending parish council meetings.

More recently, other suppliers have started picking up schemes, an example being Quickline Communications who are about to embark on 11 areas in the south of the county, with circa 20 more to follow. Another provider, Quantum Air Fibre, based in Binbrook, has several schemes in progress in West Lindsey and is looking to expand across the Wolds area. They have recently provided full fibre connectivity to West Barkwith as a result of the broadband team getting them together with the local community leads and a similar scheme is planned in late summer/autumn for Legsby. Netomina, one of the commercial providers active in the county, has gained approval for 4000 premises to go into a large voucher scheme. These premises are in rural areas to the East and North of Boston.

At this point, the broadband team are supporting all providers in an effort to drive up demand from within these areas. Demonstrable demand is key to the success of these schemes and where this doesn't exist, communities will find themselves left with a degree of uncertainty regarding when and in some cases, if Project Gigabit will deliver to their area. BDUK intend to put in a temporary suspension of this scheme in October of this year as they finalise the Project Gigabit areas to progress to Tender. On that basis, we are pushing hard to get as many potential schemes authorised before that date.

Private Investment

At the time of writing and forgetting Openreach and Virgin Media for now, we have no less than 7 private investors who are at various stages of deployment across our larger urban areas, with a further investor having just declared a plan to deploy in the county. Clearly, this is excellent news, and we are already seeing residents and businesses in Boston, Stamford,

Lincoln, Spalding, Sleaford, Holbeach, Grantham, Bourne and the Deepings signing up for this cutting edge technology.

There are various plans in place to deploy to Skegness starting in September of this year and Gainsborough is also on their radar. All investors are well funded and collectively, we believe that we will see well over 200K premises connected by the end of 2025 by private investment, with a large percentage of this number by the end of 2023. The broadband team are closely engaged with all investors to facilitate their involvement with Highways, planners and stakeholders, to fully understand their progress and to work with them to identify further investment opportunities in the county.

In addition, Openreach has announced plans to deploy FTTP to 41 rural telephone exchanges (120K premises in total) by the end of 2026. Virgin Media has now upgraded their systems to allow areas covered by them to obtain gigabit connectivity. This upgrade by them, in conjunction with ongoing private investment has seen the percentage of gigabit capable premises rise from 10.8% in September 2021 to a current level of 42%.

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