

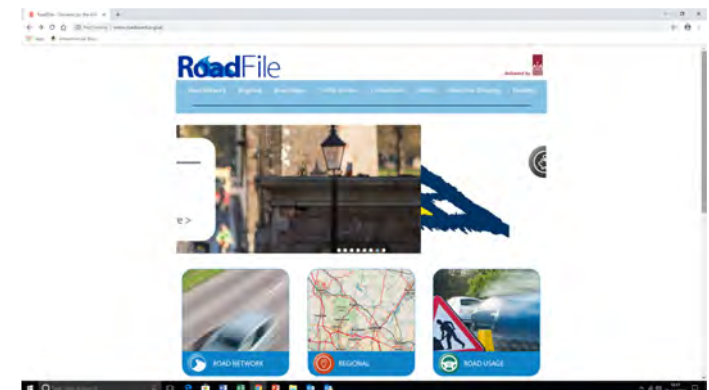
Campaigning for change - don't stop now

Rick Green
Chairman, Asphalt Industry Alliance

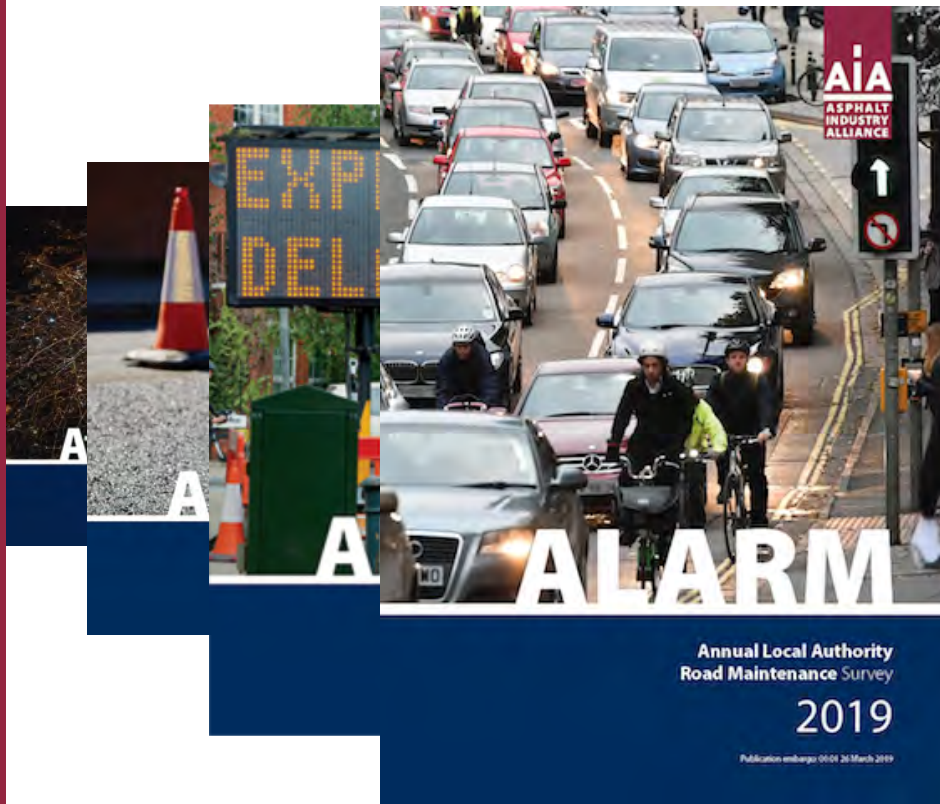


The Asphalt Industry Alliance

- A partnership between the Mineral Products Association (MPA) and Eurobitume UK.
- Aims to increase awareness of the asphalt industry and to promote the uses and benefits of asphalt to specifiers, policymakers and the general public.
- Key activity includes the supporting the All Party Parliamentary Group on Highways, Asphalt Now magazine, and Sharing Best event for local authority highway engineers.
- We also support Road File, an online hub for road-related statistics from a range of UK and EU sources – www.roadusers.org.uk
- Plus, our Annual Local Authority Road Maintenance (ALARM) survey.



Overview: Annual Local Authority Road Maintenance survey



- ALARM survey now in its 24th year.
- Provides a snapshot of the condition of the local road network and funding.
- Information comes from both quantitative and qualitative research and is independently verified.
- Provides a platform for the AIA's messages and adds to organisation's credibility.
- Impactful – 'don't just take our word for it' – reports what local authorities are telling us.
- Both industry and media consider it to be a valuable and reliable source of information.

ALARM 2019: Key messages

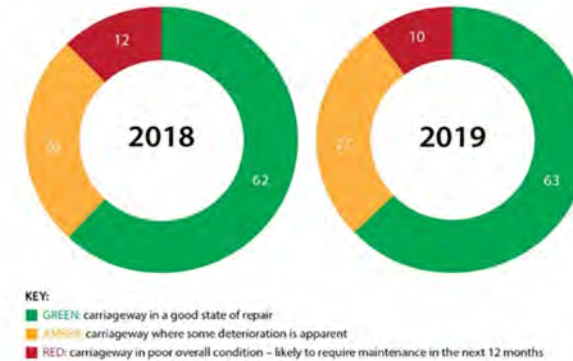
AVERAGE HIGHWAY MAINTENANCE BUDGETS



Glimmers of hope.....

- Highway maintenance budgets up for the second consecutive year
- An extra 3,500 more miles of local road now in target condition

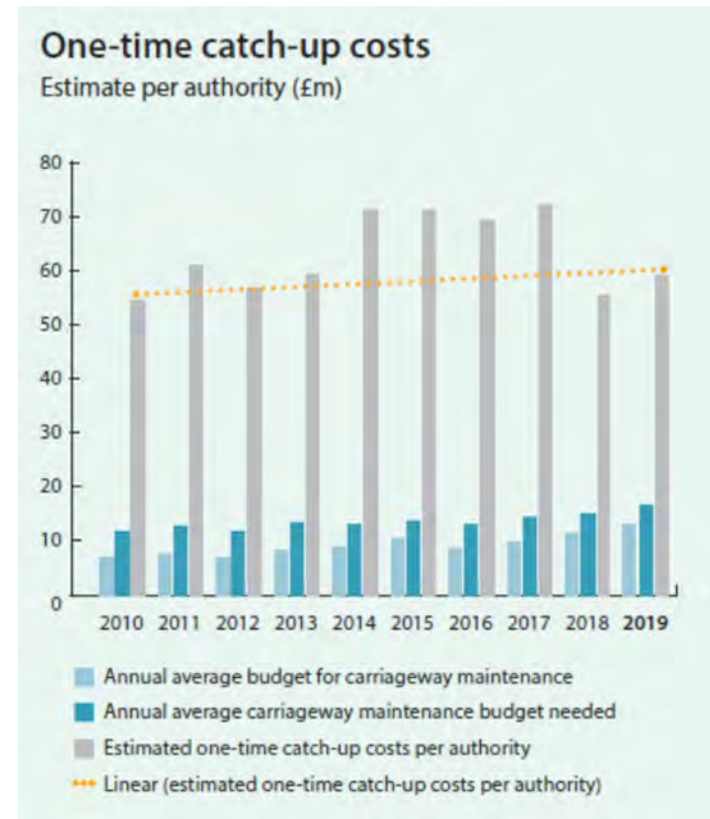
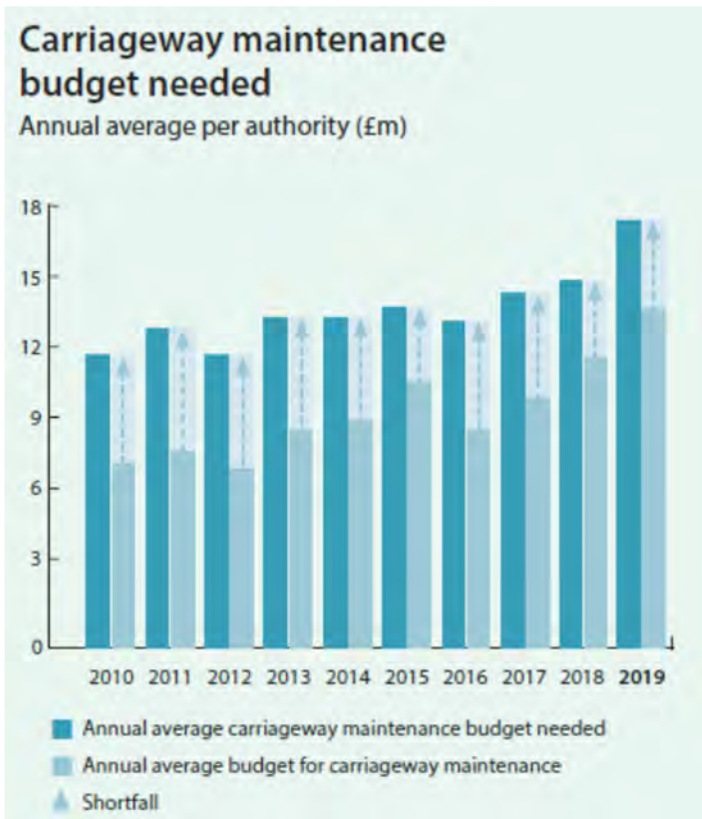
Overall road condition by road category (%)



Still a long way to go....

- Annual budget shortfalls continue to rise
- If local authorities were able to meet their own targets across all road types it would give us more than 20,000 miles of improved roads.

ALARM 2019: Long-term underfunding of local roads



ALARM 2019 findings: Budget shortfall



ANNUAL CARRIAGEWAY
BUDGET SHORTFALL:
£657m

Budget shortfall

Average annual carriageway maintenance budget received and average shortfall, £m (2017/18 in brackets)



- Budget shortfall – the difference between the annual budget that highway departments calculate they require to keep the carriageway in reasonable order and the amount they actually receive.
- The shortfall reported in ALARM 2019 is **£657m** – the equivalent of £3.9m per authority – up from £3.3m per authority last year.
- 40% of local authorities reported **transferring capital funds** for highways improvements into revenue budgets for maintenance work.

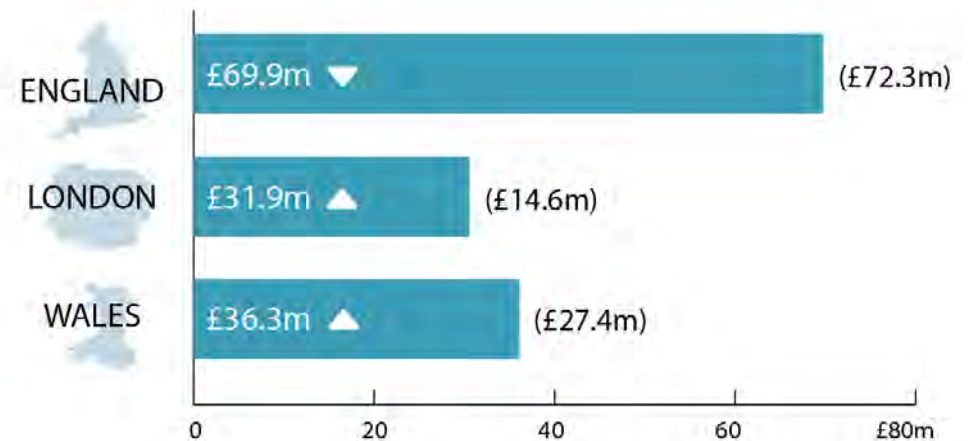
ALARM 2019 findings: One time catch up cost



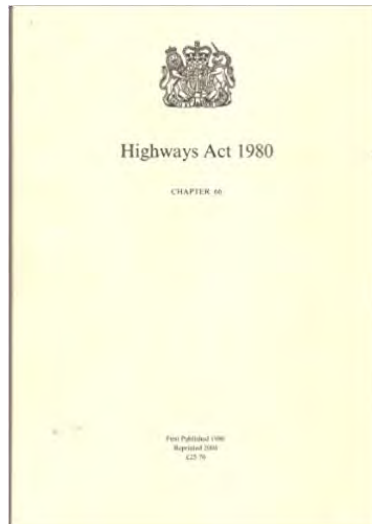
A ONE-TIME CATCH UP WOULD
TAKE **10** YEARS TO COMPLETE
AND COST **£9.79bn**

Addressing the shortfall

Average one-off investment required to clear carriageway maintenance backlog per authority, £m (2017/18 in brackets)



ALARM 2019: How did we get here?

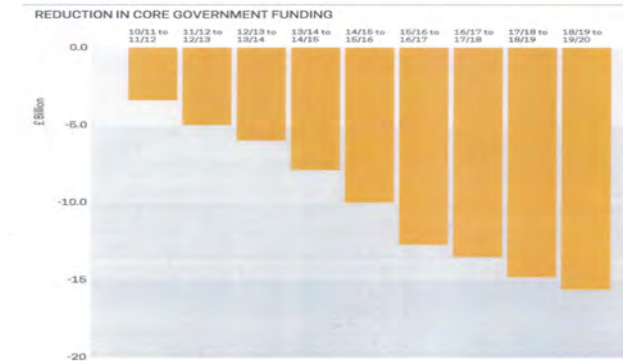


Local Authorities have a statutory obligation to maintain roads:

Section 41 Highways Act 1980 : “the highway authority ...are under a duty to maintain the highway...”

The story of this decade

By 2020, local authorities will have faced a reduction to core funding from the Government of nearly £16 billion over the preceding decade. That means that councils will have lost 60p out of every £1 the Government had provided to spend on local services in the last eight years. Next year, 168 councils will receive no revenue support grant at all.

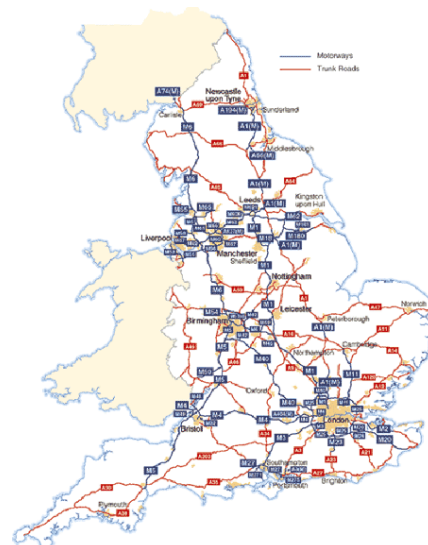


- **LGA:** “Councils have shouldered more than their fair share of austerity and have tried to reduce any impact on residents. But there is only so much they can do and the financial challenges they face are growing.”

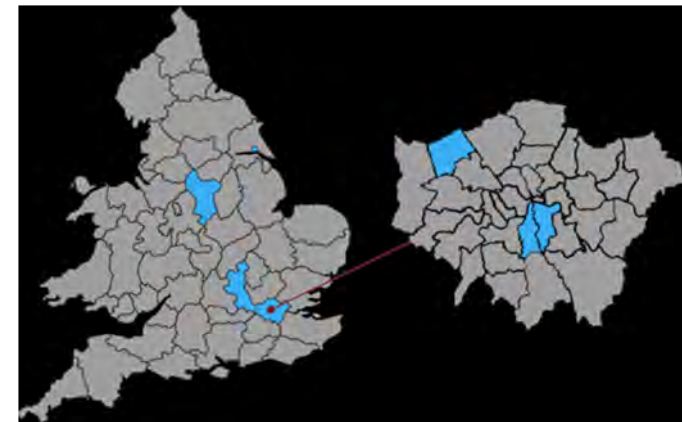
ALARM 2019: How did we get here?

English roads funding : SRN in comparison with local road network

"The government plans to spend £1.1 million per mile to maintain its strategic road network between 2015 and 2020. In comparison it will provide councils with just £21,000 per mile for the local roads they maintain over the same period." Local Government Association



Strategic road network



Local road network

ALARM 2019: How did we get here?

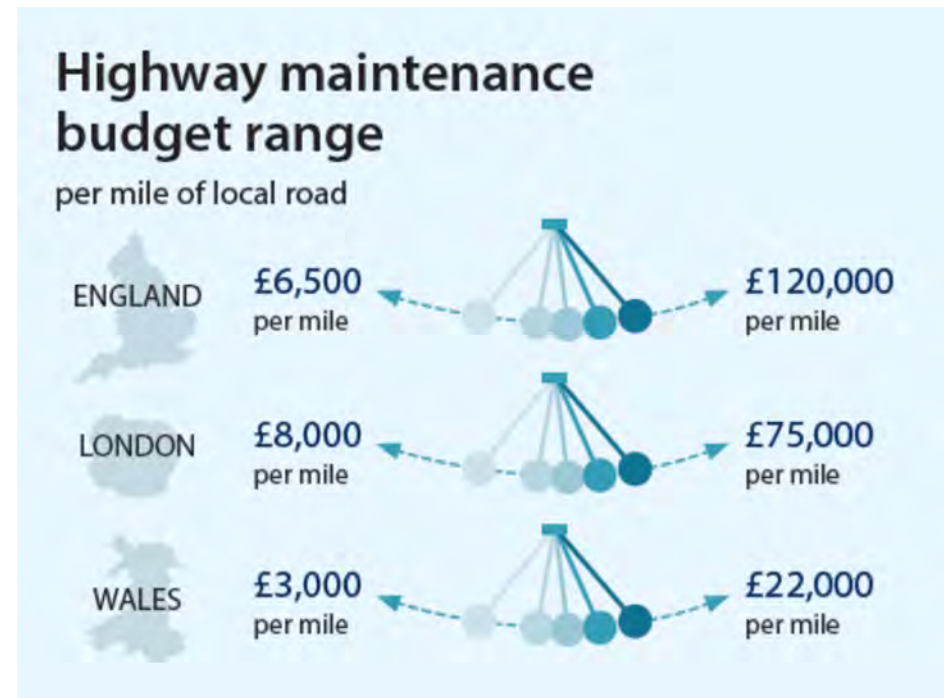
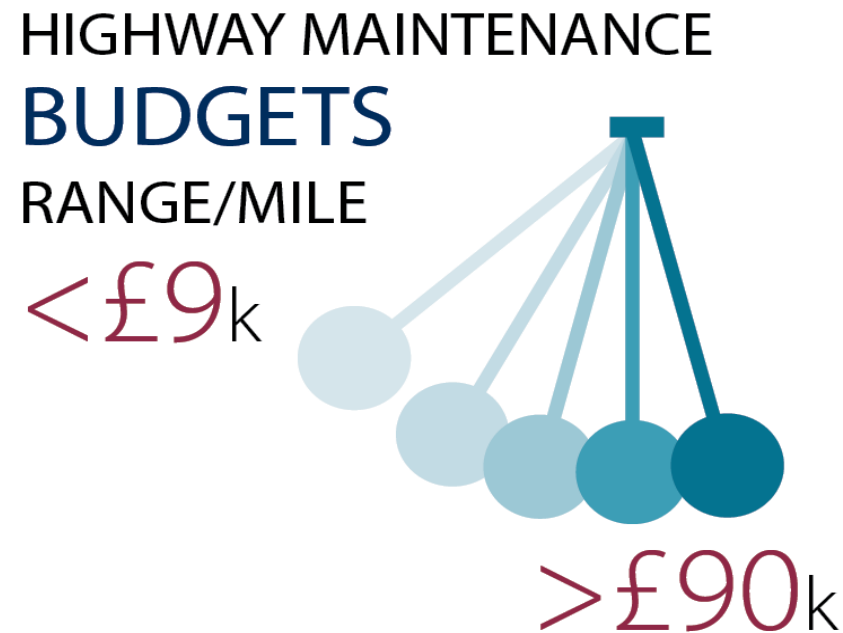
Local Road Highway Maintenance: Department for Transport Funding

DfT funding split

England, excluding London (£)



ALARM 2019 findings: Winners and losers



ALARM 2019 findings: Views on shift to TotEx



TotEx would provide greater flexibility to deal with changing circumstances such as adverse weather and prioritising outcomes, allowing us to manage our resources better.



I don't support a move to TotEx. I think it is important to demonstrate the need for increased funding by showing how much pressure there is on revenue budget.

ALARM 2019 findings: North/South divide

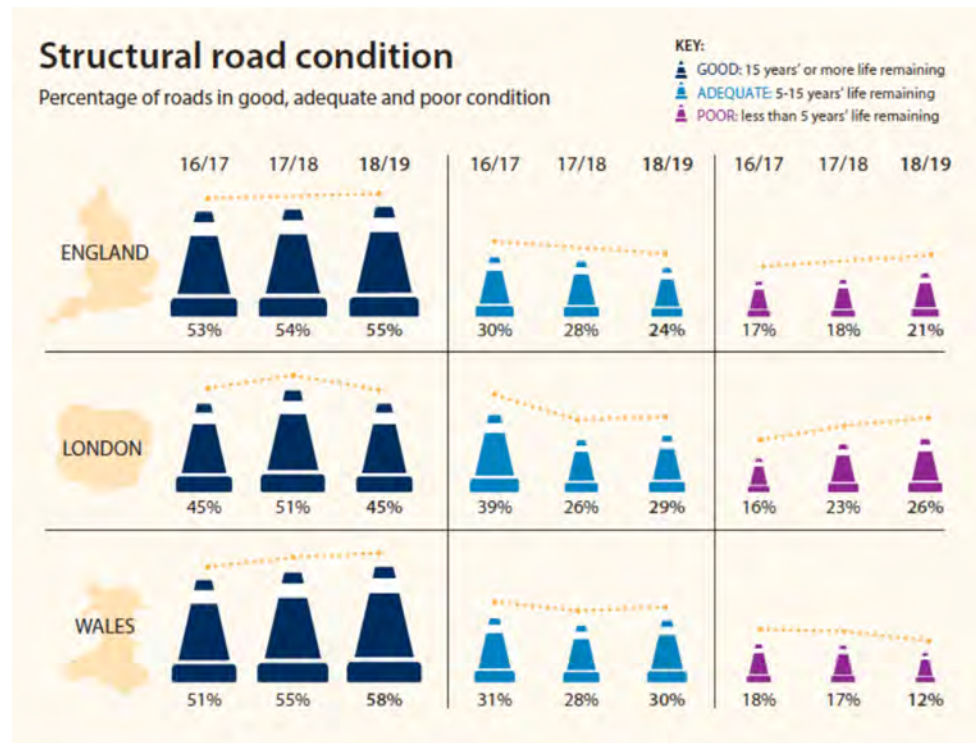
- Local authorities in the North have responsibility for almost half (45%) of the local road network in England and Wales.
- ALARM 2019 reports that, on average, authorities in the north receive a third less overall highway maintenance budget than their southern counterparts.
- For every £3 allocated to highway maintenance in the South, £2 was allocated in the North.

North/south
divide



The north/south divide split
is based on a University of
Sheffield definition, 2007

ALARM 2019 findings: Structural road conditions

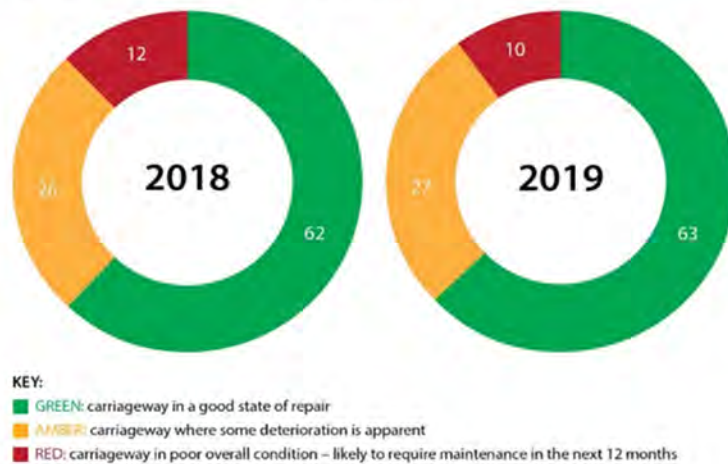


Glimmers of hope?

- Signs of slight improvement following reported increase in budgets.
- More GOOD and less Adequate in England, but also more POOR
- Exception in London with reduction in those marked as GOOD and increase in those classed as POOR.
- 20% of roads classed as structurally poor – with less than 5 year's life remaining. This is equivalent to 41, 575 miles of road – same percentage as last year.

ALARM 2019 findings: Road Condition Index (RCI)

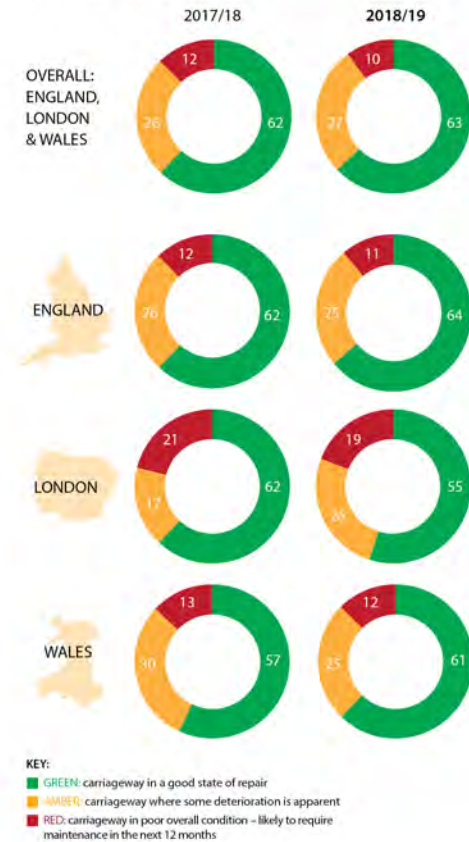
Overall road condition by road category (%)



- Second year ALARM has looked at RCI data
- Highlights continued prioritisation on principal roads.
- Impact on resilience of the network as a whole? 75% of principal roads equates to just 11% of local roads in mileage terms.

Road condition

by road category (%)



ALARM 2019 findings: Road surfacing frequency

2019

2018

Road surfacing frequency

Average frequency (years) of surfacing by road category with change from 2016/17

	All classes	Principal	Non principal	Unclassified
ENGLAND	92	43	63	132
LONDON	31	18	24	38
WALES	71	55	61	106

Road surfacing frequency

Average frequency (years) of surfacing by road category with change from 2017/18



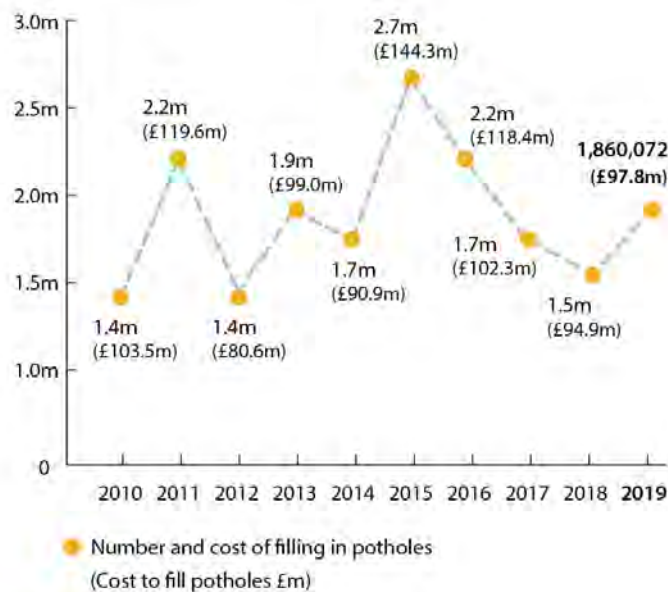
	All classes	Principal	Non principal	Unclassified
ENGLAND	79	37	56	99
LONDON	28	19	24	29
WALES	59	42	40	74

No change

ALARM 2019 findings: Potholes

Potholes

Number of potholes filled (with cost £m)

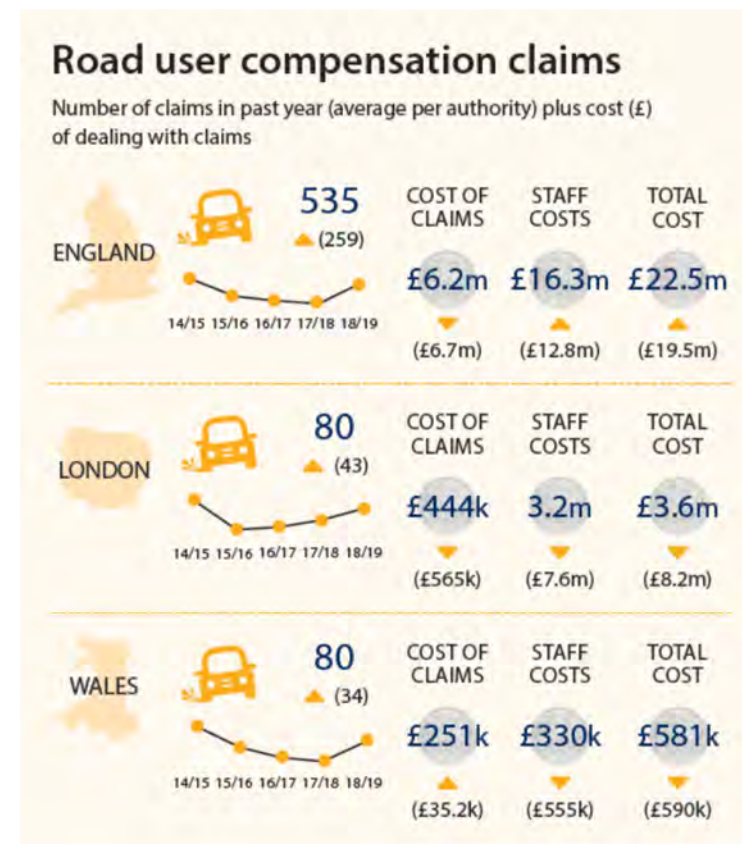


MORE POTHOLES **FILLED**
EQUIVALENT TO 1
EVERY **17** SECONDS

- Over 1.8 million potholes filled in 2019 at a cost approaching £100m.
- Over the last decade 18.6 million potholes have been filled in at a cost exceeding **£1.05 billion**.
- Number filled – up 24% on 2018 (up 44% in London).
- Average cost to fill one pothole – planned: £40.70 (England) down from £49 in 2018.
- Average cost to fill one pothole – reactive: £64.70 (England) down from £74 in 2018.

ALARM 2019 findings: Road user compensation claims

- The total cost of handing and settling claims reported as more than **£27m** (down from £28.3m last year)
- 89% of claims relate specifically to pothole damage.
- Marked increase in staff cost associated with claims.



AIA ALARM campaign



Generate credible data for substantive report



Headline grabbing media campaign to raise/maintain awareness of funding issues



Influence change by raising awareness among policy makers and budget holders



ALARM Survey 2019 – media coverage (so far!)

- BBC1 Breakfast.
- ITV regions.
- BBC 5 Live radio and 16+ BBC regional radio stations generating over **x393** separate items on broadcast media.
- Interviews with x 17 commercial radio stations including LBC.
- National in-print and on-line coverage in Daily Mirror, Daily Mail and The Times.
- Coverage in multiple regional newspapers across England and Wales as well as numerous newspaper websites.
- Further online coverage including bbc.co.uk and itv.com.
- Trade coverage in a range of titles including Highways.
- **Total reach: > 400 million /Advertising equivalent value > £2 million**





ALARM 2019: Next steps

On-going engagement with The All Party Parliamentary Group on Highways and other stakeholders/influencers:

Continue to raise awareness ahead of next Spending Review.

Activity in 2018:

- Briefing document of findings of ALARM and recommendations for future funding submitted to Jesse Norman, Under Secretary of State for Roads, Local Transport and Devolution.
- Briefing session with Andy McDonald, Shadow Transport Secretary
- Evidence at Transport Select Committee enquiry.
- Meeting with senior local authority roads team at DfT.
- Submission to National Assembly for Wales' Economy, Infrastructure and Skills Committee Inquiry into the state of roads in Wales.

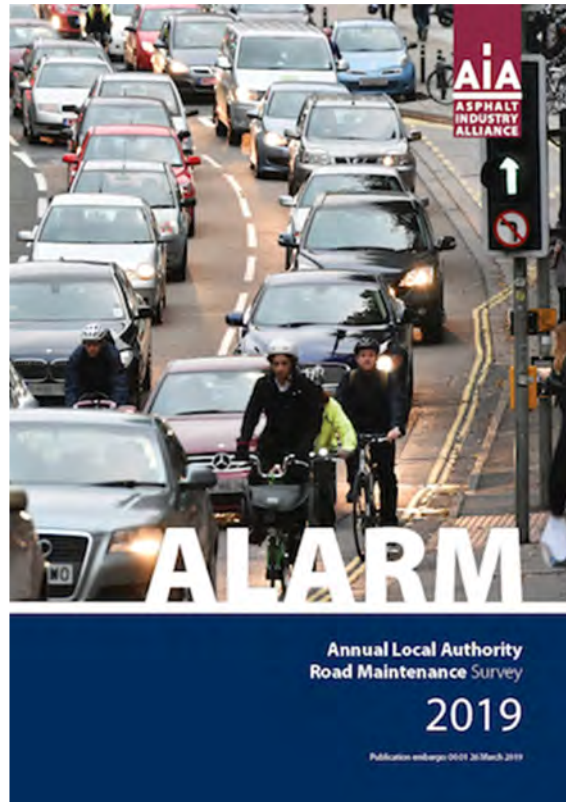


ALARM 2019: Rick Green, Chairman, Asphalt Industry Alliance

It's a long journey from slowing decline to improving the overall condition and resilience of the network....

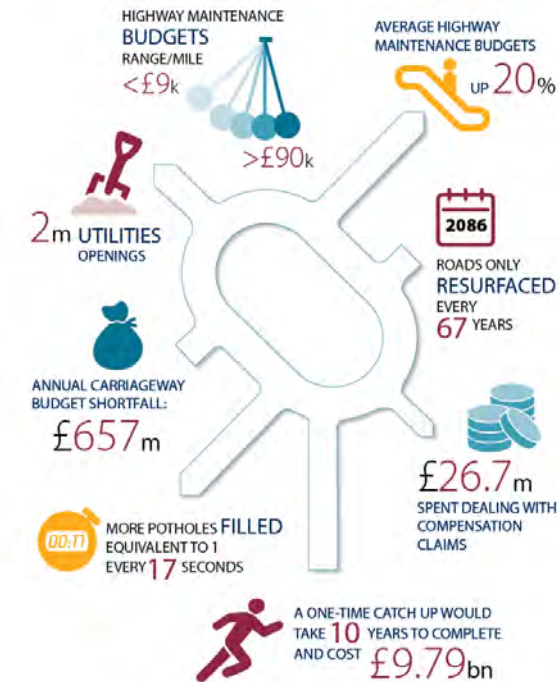
Last year we called for an additional £1.5 billion of funding for local roads each year for the next 10 years to allow them to be brought up to a condition from which they can be managed in a cost-effective way. We stand by this call.

The findings from this year's ALARM survey support the need for this long-term approach to allow local authorities to maximise the effectiveness of their asset management plans and deliver enhanced mobility, connectivity and productivity.



ALARM 2019

Key facts 2018/19 (England, London and Wales)



www.asphaltuk.org