

To all local highway authorities

**GUIDANCE FOR CLAIMING EMERGENCY CAPITAL HIGHWAY MAINTENANCE
FUNDING FROM THE DEPARTMENT FOR TRANSPORT**

1. This note aims to assist local authorities who are considering whether to submit a claim for capital funding for emergency capital works to their local highway network. The intention is to set out the circumstances under which a claim may be made and how a claim should be submitted.
2. The Department has appointed consultants Atkins to assist the expeditious processing of claims under these arrangements for those submitted in respect of the flooding in June and July this year. Atkins will be available to advise local authorities on the interpretation of this Guidance as they prepare their claims. Government Offices also stand ready to provide assistance where required.
3. The Department recognises that the circumstances of individual authorities may vary, and, while having regard to this Guidance, will consider all claims on a case by case basis.
4. Further information on the submission of claims in respect of the June and July flooding 2007 can be obtained from the Department for Transport or Atkins contacts listed below.

Circumstances in which a claim will be considered

5. Emergency capital highway maintenance funding is not designed to cover local authorities against every impact of the environment and or other events, but rather to address serious unforeseeable requirements that need urgent capital resources and works.
6. The broad principle adopted over a range of differing emergencies, in recent years, is that claims for emergency funding will be considered where the cost of works needed, to restore infrastructure to the level of provision applying before the emergency, exceeds

15% of an authority's relevant year formulaic capital allocation for highway maintenance. The relevant year for the flooding in June and July this year is 2007/08. This represents a local contribution. For the purposes of calculating 15%, the formulaic capital allocation for highway maintenance excludes any funding an authority may have received for PRN bridge strengthening and major maintenance or an exceptional maintenance scheme.

7. The 15% local contribution for emergency capital highway maintenance funding is a longstanding requirement, which has been accepted over a range of past emergencies. The Department for Transport considers a local contribution appropriate for what can be significant investment works because:

- emergencies of different kinds regularly occur on the local highway network, and in general the Department for Transport expects highway authorities to deal with them by planning flexibly, with an allowance for contingencies;
- the type of work which the Department's capital highway maintenance funding supports will typically deliver benefits over a long period;
- the nature of this type of capital expenditure means that authorities have more scope to reprioritise plans and work programmes;
- there are generally a number of options that can be chosen for these capital investment schemes, so a partnership approach to funding acts as an incentive for all those contributing funds to seek to achieve the best value for money and most efficient delivery of schemes; and
- funding for emergencies can only be found by reducing transport capital resources elsewhere. Given the long term benefits of renewal work, it could be unfair to other authorities if the whole costs were met by Government.

Evidence to be included in claims

8. The claim submitted by the local authority should list the works required and provide evidence, for example survey data, that the damage being dealt with resulted from a relevant event e.g. the floods of June and July 2007. Claims should relate only to expenditure on the local highway network.

9. For each major works proposed, the authority should provide evidence for the options it has considered. This should include evidence that the works cannot be funded through a revenue-funding based solution, (which might qualify for Bellwin funding), and a case that the repairs are needed in the short term and cannot be phased over a number of years and funded from the authority's Integrated Transport Block and Capital Highway Maintenance block.

10. The claim should include:

- an options appraisal including consideration of the value for money of the options identified;
- evidence to support the cost estimates; and

- a programme of works with project management arrangements including a risk assessment and a risk mitigation strategy;

11. The amount of detail the Department would expect to be included in claims will be proportionate to the scope of work required. For claims covering the June and July 2007 flooding, authorities may find it helpful to discuss both the content of claims, in particular each of the bullet points above and the level of detail required with our consultants Atkins.

12. The Department recognises that in some cases authorities will have decided to commence remedial work before a formal claim can be submitted. Costs of repairs will not be excluded from consideration simply because they preceded a claim.

13. Claims may if necessary be made in stages, as appraisal work on different remedial works is completed. But the total of any emergency funding will be assessed, for each authority, on the basis that 15% of the annual maintenance allocation for the relevant year, which in the case of the recent flooding is 2007/08, will be deducted from the total estimated eligible costs of works considered to be required. Claims should therefore specify this figure and allow for it as a deduction against the total sum.

14. Where a local authority wishes to widen the scope of the work to improve the performance of the infrastructure above the level which applied before the emergency, the local authority should estimate how much of the proposed investment is for the improvement and deduct this from their claim. In the case of the June and July 2007 flooding, the Department's consultants will provide assistance to authorities in making, what it is recognised, may be difficult judgments. The claim should provide confirmation that the local authority will not seek additional funding from the Department to meet the improvement costs.

15. The authority should confirm that to their knowledge they are unable to claim or recover the relevant costs, towards which they are seeking emergency capital highway maintenance funding, from another source.

16. The claim is to be signed by the authority's section 151 officer.

Timing of claims relating to the June and July 2007 flooding

17. The Department for Transport does not at this time propose to set a deadline for the submission of claims for this funding. Whilst works eligible for emergency funding must be demonstrated as being urgent, the Department recognises that time may nevertheless be required for the appraisal work and/or condition surveys needed to ascertain the extent of the damage and which option offers the best value for money.

18. However, the Department would be grateful if local authorities who are proposing to submit a claim can provide an early indication, by Monday 17 September 2007, of what schemes they are aiming to undertake, the estimated costs and the likely timing of any work. The Department appreciates that some local authorities will still be assessing the overall impact of the floods, and this information will not be regarded as a commitment on behalf of either the local authority or the Government, but will be used in this initial stage only to identify broad estimates of cost and timing.

Further Information on claims for the June and July 2007 flooding

19. If local authorities require further information regarding claims for emergency capital highway maintenance funding in respect of the recent floods they can contact the Department. The contact details are:

Paul Foskett on 0207 944 3829 (e-mail paul.foskett@dft.gsi.gov.uk);

Edward Bunting on 0207 944 2402 (e.mail edward.bunting@dft.gsi.gov.uk); and

Alex Barton on 020-7 944 3096 (e.mail alex.barton@dft.gsi.gov.uk).

Alternatively local authorities could contact Yvonne Peach at Atkins on 01332 225596 (e-mail Yvonne.Peach@atkinsglobal.com), or may choose to use their regular Government Office connection as their first point of contact for advice on these arrangements.

18. Claims for emergency highway maintenance capital funding should be submitted electronically to roadmaintenance@dft.gsi.gov.uk, and copied to the relevant Government Office.

8 August 2007