

**AGENDA MANAGEMENT SHEET**

**Name of Committee**

**Cabinet**

**Date of Committee**

**04 May 2006**

**Report Title**

**Additional Road Maintenance Funding - North Warwickshire**

**Summary**

The North Warwickshire Area Committee considered a report from the Strategic Director of Environment and Economy setting out the Capital Programme for Transport 2006-07 in the North Warwickshire Area. Additional to the delegated budget of £40,000 for transport projects, is an amount of £300,000 available for capital funded road maintenance schemes. The Area Committee agreed to request approval from the Cabinet to use the allocation of £300,000 for structural road maintenance and improvement schemes.

**For further information please contact:**

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**Would the recommended decision be contrary to the Budget and Policy Framework?**

No.

**Background papers**

Report to the North Warwickshire Area Committee - 22 March 2006

**CONSULTATION ALREADY UNDERTAKEN:-**

Details to be specified

Other Committees

North Warwickshire Area Committee

Local Member(s)

Other Elected Members

Cabinet Member

Councillor Martin Heatley  
Councillor Colin Hayfield  
Councillor Peter Fowler

Chief Executive

Legal

I Marriott

J Pollard - agreed

- Finance  C Holden – comments incorporated, V Rennie
- Strategic Directors  John Deegan, David Clarke, David Carter
- District Councils  .....
- Health Authority  .....
- Police  .....
- Other Bodies/Individuals  Monica Fogarty, Martin Stott

**FINAL DECISION YES**

**SUGGESTED NEXT STEPS:**

Details to be specified

- Further consideration by this Committee  .....
- To Council  .....
- To Cabinet  .....
- To an O & S Committee  .....
- To an Area Committee  North Warwickshire, 31 May 2006
- Further Consultation  .....

## Agenda No

**Cabinet - 04 May 2006.**

### **Additional Road Maintenance Funding - North Warwickshire**

#### **Report of the Chair, North Warwickshire Area Committee**

##### **Recommendation**

That the Cabinet give approval for the use of the delegated budget of £300,000 for capital funded structural road maintenance schemes be expanded to include road improvements.

#### **1. Background**

- 1.1 The North Warwickshire Area Committee held a Capital Transport Programme Seminar on 1 February 2006. Included in the discussions at the seminar were the allocation of the £40,000 delegated to each Area Committee to allocate to transport projects according to local priorities and the additional £300,000 available for capital structural road maintenance schemes.
- 1.2 Following further discussions at the Area Committee meeting on 22 March, Members agreed to seek approval from the Cabinet to expand the use of the budget of £300,000 to include road improvements to meet local transport needs.

#### **2. Criteria**

- 2.1 This is a complex area where legal/accounting guidance needs to be observed. Any use of the delegated budget would be required to be assessed to ensure that it meets one of the following criteria:
  - 2.1.1 Capital spending is defined as spending on the:
    - acquisition, reclamation, enhancement or laying out of land
    - acquisition, construction, preparation, enhancement or replacement of roads, buildings and other structures
    - acquisition, installation or replacement of movable or immovable plant, machinery, apparatus, vehicles and vessels.
  - 2.1.2 In the above definition enhancement is carrying out works which are intended to:
    - lengthen substantially the useful life of the asset, or

- increase substantially the market value of the asset, or
- increase substantially the extent to which the asset can or will be used for the purposes of or in conjunction with the functions of the local authority concerned.

2.2 Under this definition improvement works and structural repairs can be capitalised if they cost more than £6,000. However, spending to ensure that the fixed asset maintains its previous standard or performance is revenue spending for example, reconstruction, resurfacing and footways are treated as capital expenditure, whereas patching is classified as revenue spending and would not be allowed. In terms of improvement projects administration costs are not allowed and nor are feasibility studies that include the preliminary analysis of options.

### **3. Conclusion**

Following discussions at seminar held on 1 February and the North Warwickshire Area Committee meeting held on 22 March, the Area Committee agreed to request approval from the Cabinet to use the allocation of £300,000 for structural road maintenance and improvement schemes adhering to the criteria as outlined above.

CLLR RAY SWEET  
Chair, North Warwickshire  
Area Committee

Shire Hall  
Warwick

03 April 2006