

# ADDENDUM

## How do we compare to other London boroughs?

Tower Hamlets have made great progress to align their network condition with that of other London boroughs but there is still some way to go to reach the London-wide average of **85%**.

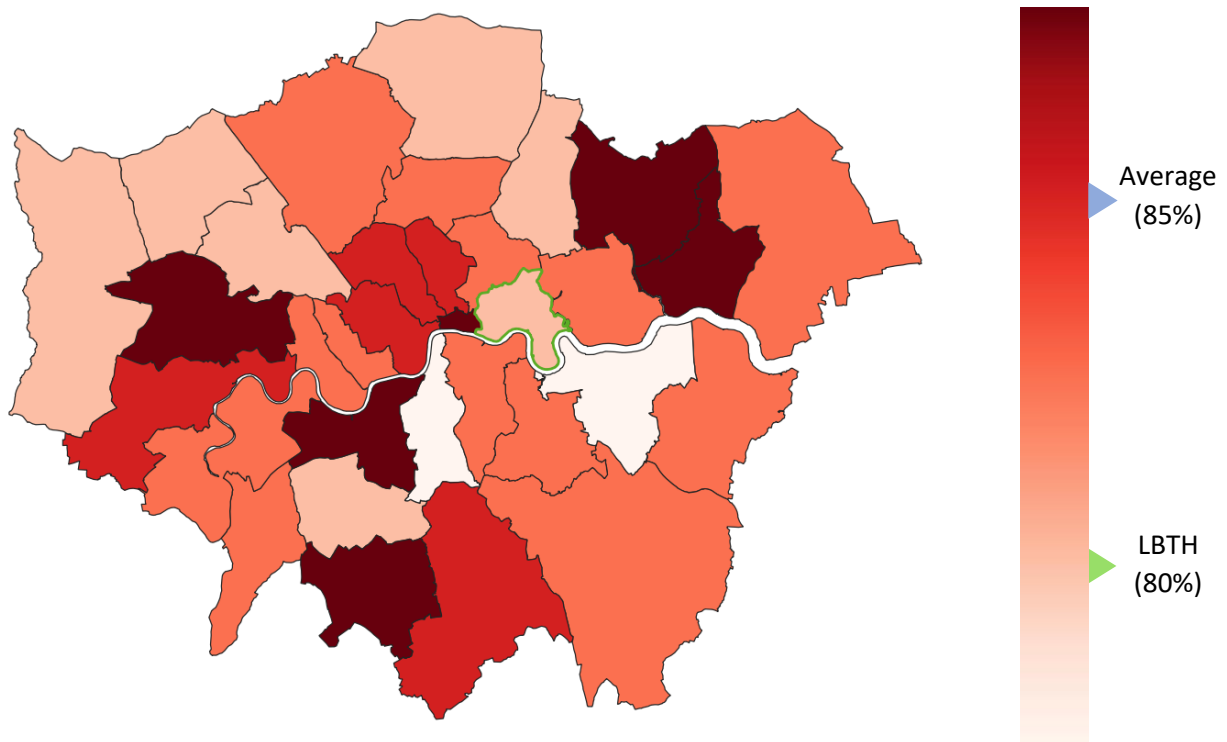


Figure 1: Map of London borough carriageway condition data (LoTAG 2018)

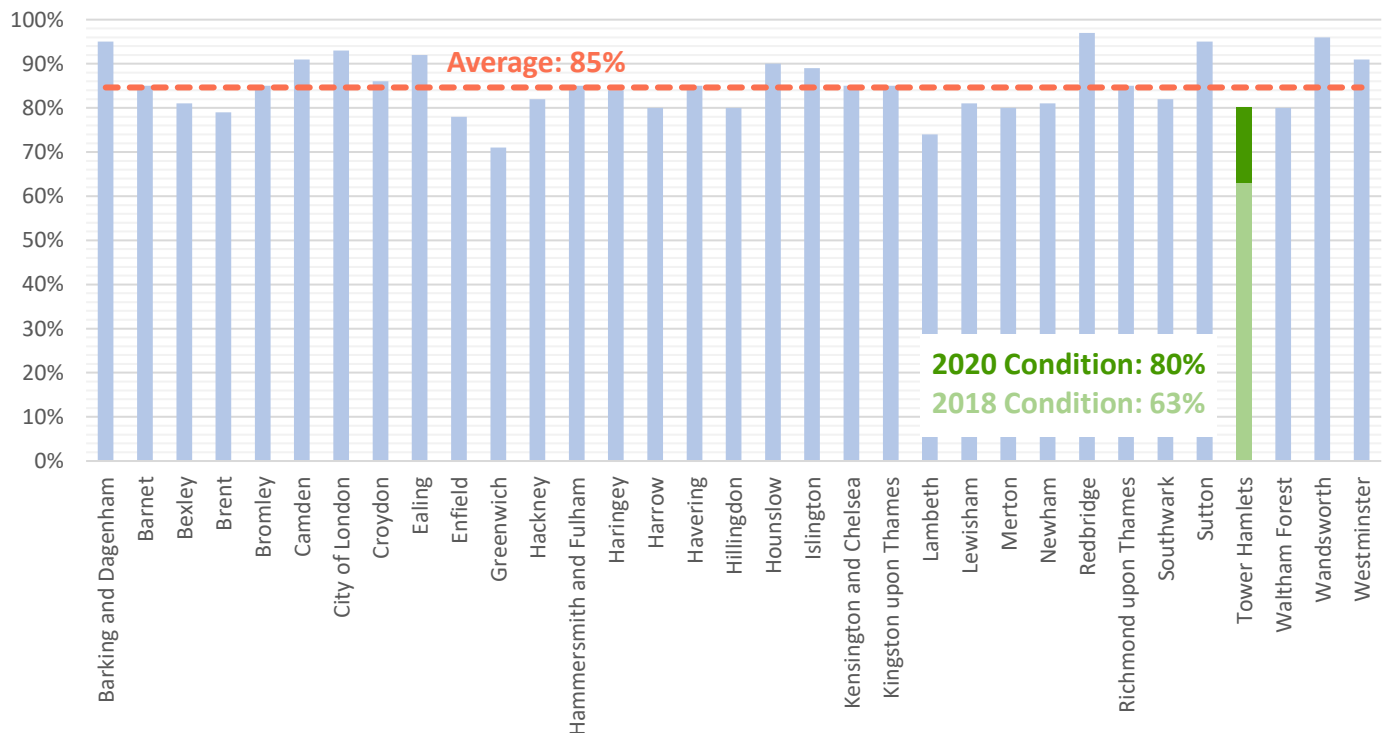


Figure 2: Chart of London borough carriageway condition data (LoTAG 2018)

What do we spend on ad-hoc maintenance?

Carriageway Spend 19/20 **£250k**      Footway Spend 19/20 **£500k**

Tower Hamlets spends a proportion of its highway budget on reactive maintenance of the borough’s network. This revenue budget is spent on filling potholes, patching defects and fixing trip hazards to keep the highway asset in a **safe condition**. In 2019/20, the Council’s revenue spend amounted to **£750k in total**, this was **£250k** on the carriageway network and a further **£500k** on footways. It is important to recognise that the highways asset represents the **biggest risk exposure** to the Council with third-party claims due to trips, slips and falls posing a serious financial risk in the hundreds of thousands to millions of pounds.

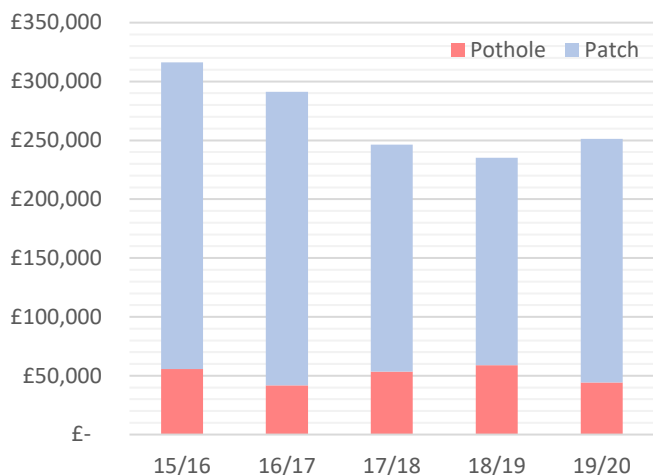


Figure 3: Carriageway ad-hoc revenue spend split

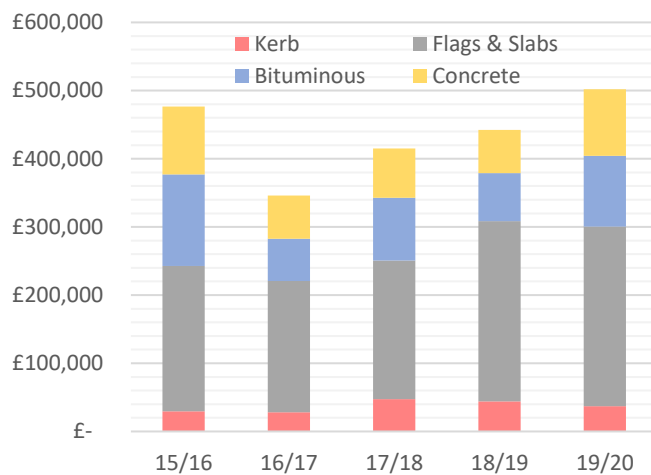


Figure 4: Footway ad-hoc revenue spend split

Revenue spend on the carriageways in Tower Hamlets has seen a downwards trend over the past five years which comes as the result of targeted capital investment due to the asset condition causing concern. It is important to recognise that not maintaining capital investment into the asset will undo several years of work in the borough with the Council’s revenue spend increasing to previous levels. On the contrary, the footway revenue spend has seen a moderate increase over the same time period. It is an opportune time to invest further on the footways and deliver Tower Hamlets’ corporate objective of **increased active travel**.

What is the business case for Invest to Save?

Cost of clearing backlog:	}	1 year	<b>£11.8 million</b>	-
		3 years	<b>£17.1 million</b>	<b>+£5.3m</b>
		10 year	<b>£42.0 million</b>	<b>+30.2m</b>

An **Invest to Save** initiative provides the opportunity to inject capital investment into improving or sustaining the asset condition *now* to save money in revenue maintenance *in the future*. The concept seeks the long-term benefit of an investment and finds strategies that are most cost-effective.

By the time all roads in **poor** condition are brought into **green** condition some of the current roads in the early stages of disrepair will have deteriorated further. Therefore, the earlier the backlog can be reduced the less funding is required to achieve this. Clearing this backlog will also mean that Tower Hamlets spend less on reactively maintaining their network. The recently resurfaced roads (i.e. those on the works programmes between 2016/17 and 2019/20) have seen a **50% reduction in revenue expenditure**. These savings could be realised across all roads currently in the backlog.

