

Appendix 1: East Sussex County Council Incentive Fund Report 2025/26

1. What is your local authority's assessment of the Gross Replacement Cost / Asset Value of your total highway assets (including bridges, cycleways, footways, drainage, trees etc but excluding land), using the HAMFIG/CIPFA methodology and the last available rates?

Highway Asset Valuation from Transport Infrastructure Asset Valuation 2019/20

Asset Group	Estimated Gross Replacement Cost 2025	Estimated Depreciated replacement cost 2025	Estimated Depreciation
Carriageways	£4,184,938,980	£3,140,830,460	£1,044,108,520
Footways & Cycleways	£530,553,050	£342,675,450	£187,877,600
Highway Structures	£692,120,400	£394,513,150	£297,607,250
Street Lighting	£83,970,700	£25,952,100	£58,018,600
Traffic Management	£17,528,300	£8,130,060	£9,398,240
Street Furniture	£27,253,850	£11,041,660	£16,212,190
Total	£5,536,365,280	£3,923,143,880	£1,613,221,400

This valuation updates the County Council's last comprehensive asset valuation completed in 2019/20 and reflects revised average Building Cost Information Service values and depreciation estimates projected for 2025. Actual current values may differ due to changes in asset condition, market fluctuations, and investment since then.

2. What percentage of your current asset value has been spent on maintenance in each of the last 5 years?

	Capital funding and borrowing	Revenue funding*	Total capital, borrowing and revenue funding	Total current asset value (using the depreciated value)	Percent of asset value spent on highway maintenance
2020/21	£25,838,000	£12,911,209	£38,749,209	£3,923,143,880	0.99
2021/22	£21,775,000	£12,987,178	£34,762,178		0.89
2022/23	£29,535,000	£14,791,674	£44,326,674		1.13
2023/24	£33,877,000	£19,463,515	£53,340,515		1.36
2024/25	£28,540,000	£17,478,634	£46,018,634		1.17

* This figure includes spending directly on maintenance only including reactive, cyclic, preventative and non-routine winter maintenance. It does not include: costs relating to employees, premises, transport, third party payments, support services, capital financing costs or other supplies and services.

A full breakdown of revenue spending is included below:

Highways Revenue Budget	2020/21	2021/22	2022/23	2023/24	2024/25
Employee Related Costs	£ 748,931	£ 707,043	£ 689,748	£ 930,678	£ 993,794
Premises Related Costs	£ 908,679	£ 1,218,466	£ 1,399,846	£ 1,545,978	£ 2,261,338
Transport Related Costs	£ 9,379	£ 6,406	£ 7,137	£ 9,556	£ 8,285
Maintenance*	£ 12,911,209	£ 12,987,178	£ 14,791,674	£ 19,463,515	£ 17,478,634
Other Supplies and Services	£ 1,142,590	£ 1,400,728	£ 1,156,954	£ 862,130	£ 1,250,963
Third Party Payments	£ 168,000	£ 173,770	£ 177,245	£ 183,904	£ 188,860
Support Services	£ 10,567	£ 11,030	£ 12,657	£ 18,281	£ 18,543
Capital Financing Costs	£ -	£ 224,326	£ 479,395	£ 479,395	£ 479,395
Total Revenue Expenditure	£ 15,899,355	£ 16,728,947	£ 18,714,656	£ 23,493,437	£ 22,679,812
Revenue Income	-£ 3,183,979	-£ 3,720,832	-£ 5,107,768	-£ 5,363,989	-£ 4,749,484
Total	£ 12,715,376	£ 13,008,115	£ 13,606,888	£ 18,129,448	£ 17,930,328

3. Does your local authority use a Customer Service / Satisfaction Survey such as the NHT network? If so, who do you use and how does this get factored into maintenance operations?

The County Council has taken part in the NHT satisfaction survey for 15 years. Trends are reported internally to help it track progress. It also helps it to analyse the impacts of any changes made to various parts of the service. It is useful to compare the County Council's own satisfaction levels with similar county councils to understand where the County Council is doing things well and not so well.

The County Council also analyses data from the NHT survey provided by people with protected characteristics to inform equality impact assessments for highway asset plans and other highway policies.

The Highways team conducts two other customer satisfaction surveys. Firstly, the customer thermometer (smiley face) survey which goes out to customers who have submitted enquiries both when they first submit their case via the web form and after their case is closed via email. Customers select their satisfaction level and also can leave individual feedback comments should they want to. Results are shared with the relevant teams every month with a view to directly changing how the County Council delivers its service where issues are repeatedly flagged.

Secondly, the telephone satisfaction survey for customers who call in with an enquiry. They are put through to a survey at the end of the call where they can rate different aspect of the service they received. The results are shared with the relevant teams every month to help identify any issues and show whether changes to the service are having a positive effect.

4. Does your authority carry out benchmarking of its performance with other authorities, and can you provide evidence of that?

The County Council is a member of the Future Highways Research Group (FHRG) which gives it a way of communicating with similar authorities to understand their policies and processes and to identify any gaps in the County Council's own service. Recent examples of information gathered through this channel are gully maintenance, weed spraying and winter gritting routes.

The County Council is part of the NHT Performance Management Framework benchmarking group and it submits data annually for comparison with similar authorities. [NHT Performance Management Framework. NHT PMF](#)). The data is useful to help the County Council understand where potential issues with its service may lie. However, it is aware that not all authorities record and measure things in the same way so this creates some limitations to benchmarking.

In 2023 the County Council carried out a benchmarking exercise with other authorities looking at NHT survey satisfaction ratings against potholes per km and

comparison of authorities' investigatory levels, budget, customer complaints and SCANNER results.

The County Council takes part in the CQC survey each year, which helps to quantify the efficiency of the authority, the improvement in effectiveness and resultant efficiency savings for carriageway investment.

Annually the County Council also takes part in the Asphalt Industry Alliance ALARM Survey which covers a range of topics and provides national and regional feedback.

5. Do you have a highways asset management performance management framework against which you are regularly tracking performance?

There are a number of processes in place to ensure the performance of the highways maintenance contract is effectively monitored to ensure it is meeting the County Council priorities; driving sustainable economic growth, keeping vulnerable people safe, helping people help themselves, and making best use of resources in the short and long term.

In line with these, the Highways and Infrastructure Services Contract 2023-30 has been developed to achieve the following service outcomes:

Service Outcome		Description
1	Quality Assurance	Deliver an efficient and effective right-first-time service.
2	To have the best Area Network condition for the investment available	Deliver best value within the available resources through the implementation of the asset management strategy.
3	Effective Stakeholder Engagement	Engage effectively to understand and meet the needs of our stakeholders to deliver a right first-time service delivery.
4	Sustainable Economic Growth	Enhance the local economy through network expansion and improvement to meet the growth agenda, whilst optimising and improving network performance. Delivery of economic, social and environmental value.
5	Carbon Reduction	Develop and sustain operations that achieve carbon reduction over the contract duration, working towards the target of net zero by 2050.

The performance framework is spilt into a number of key activities:

1. General performance management
2. Client's Incentive Scheme
 - o Part A - Service Performance Indicators (SPIs)
 - o Part B - Key Performance Indicators (KPIs)
3. Corporate reporting against wider Client performance targets

See question 6 below for details of the contract SPIs and KPIs. The performance management framework includes the review and audit of the performance indicators using an evidence-based audit process. This is regularly reported to and monitored by the Service Management Board, made up of managers from the contractor and the client, and adjustments to service are made where the need for improvement is identified.

There are two incentives within the contract for the contractor to perform well: the SPI reward model and the KPI extension model. The SPI reward model is based on the performance of the individual SPIs in each service year and allows the contractor access to a financial reward should levels of performance meet or exceed the service requirements, and the contractor's works costing less than the expected Target Costs. Conversely, the contractor puts its declared profit at risk from poor performance. The KPI extension model provides the contractor an opportunity to access the seven-year extension of the contract if all the KPIs are met or exceeded.

Corporate reporting is covered in the County Council's Communities, Economy & Transport Portfolio Plan 2025/26 - 2027/28 (published in April 2025) which sets out the targets for road condition in the county as well as targets for red claims responses and free flowing gullies as set out in the table below.

Performance measure	Target 2025/26 to 2027/28	2024-28 Outcome Summary
Percentage of Principal roads requiring maintenance	7%	A satisfactory standard of road condition across all road types is achieved and maintained
Percentage of Non-Principal roads requiring maintenance	8%	A satisfactory standard of road condition across all road types is achieved and maintained
Percentage of Unclassified roads requiring maintenance	25%	A satisfactory standard of road condition across all road types is achieved and maintained
Percentage of highway gullies that are free flowing and clear of obstruction	98%	Reduce water damage to the carriageway caused by drainage

		issues, maintaining a good standard of road condition.
Percentage of insurance claims handled (to first decision stage) within legal time	95%	Ensuring the efficiency of the process has a positive impact on claimants, insurers and meeting our own legal obligations.

6. What are your KPIs for maintenance?

The County Council uses the following service performance and key performance indicators.

Outcomes	Name	Brief description
SPIs		
Quality Assurance	Response within time	Safety defects, hazards or Incidents attended within time
Quality Assurance	Safety defect correction within time for Carriageway/ Cycleway/ Footway asset types	Category 1, category 2 and category 3 safety defects relating to carriageway, cycleway and footway repaired within their respective response times
Quality Assurance	Works/faults and safety defects correction within time for other asset types	Works/faults and safety defects relating to other assets repaired within their respective response times.
Quality Assurance	Safety defects permanently repaired first time	Safety defects permanently repaired first time from SPI 03 and SPI 04
Quality Assurance	Winter Maintenance	Precautionary treatments completed to timescale
Quality Assurance	Defect free works	Percentage of jobs that are Defect free following the Contractor notification of completion (Core, Work and Work Group Activities)
Quality Assurance	Notified Defects	Notified Defects in relation to Work and Work Group Activities corrected within the <i>defect correction period</i>
Quality Assurance	Programme Delivery – Work Activities	% of all Works Activities that are completed within the Service Year
Quality Assurance	Final Accounts	% Final accounts submitted on time
Quality Assurance	Permit regulations met on site	Works inspected that comply with agreed permit conditions, and permitted works with appropriate start/stop notifications
Effective Stakeholder Engagement	Well planned permits	Permit submission timescales comply with the legislative requirement, and are completed within the agreed permit duration (Contractor works only)
Effective Stakeholder Engagement	Works Activities started on time	Percentage of Works Activities started at right time according to published stakeholder communications

Effective Stakeholder Engagement	Works communications	Appropriate advanced communications issued in accordance with the Scope (Core and Work Activities)
Effective Stakeholder Engagement	SPI 14 – Communications - Timely Response	Delivery of Contractor's Communication timeframes in compliance with the Stakeholder Engagement Plan
Effective Stakeholder Engagement	Third party claims timely response	Percentage of responses sent to claimants within timeframe
Promote Economic Growth	Social Value Plan Commitments	Conformity to the Social Value Plan
Promote Economic Growth	Local Supply Chain and Local SME's	% of Contractor's Defined Cost spent locally
KPIs		
Quality Assurance	KPI 1	Combined SPI 1-10 performance within KPI 1
Effective Stakeholder Engagement	KPI 2	Combined SPI 11-15 performance within KPI 2
Promote Economic Growth	KPI 3	Combined SPI 16-17 performance within KPI 3
Promote Economic Growth	Supply chain strategy	Delivery of supply chain strategy
Carbon Neutrality	Carbon Reduction Plan	Delivery of annual Carbon Reduction Plan
Quality Assurance	Business Improvement	Contractors' performance against contractor's quality plan

7. Does your authority have, and can you provide a weblink to: a Highways Asset Management Plan (HAMP); and a Resilient Network plan.

Copies of the Council's Highway Network Resilience Plan, Highway Asset Management Policy and Strategy can be found on the East Sussex County Council website: [Highway policies | East Sussex County Council](#) (Note these are currently under review and updated versions will be published in September 2025).

8. Can you confirm that your Local Authority has provided, or will provide, DfT with all of the data required under the annual Single Data List requirements in 2025, namely:

- 130-01: Principal roads where maintenance should be considered.
- 130-02: Non-principal classified roads where maintenance should be considered.
- 130-03: Skidding resistance data
- 130-04: Carriageway work done from April 2024 to March 2025
- 251-01: Winter salt stock holdings for winter 2025.

The County Council provides the DfT with all of the information above annually and will continue to do so in 2025.

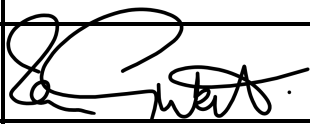
9. In addition to the data required for the Single Data List what other data does your authority collect on the condition of its highway assets, including footways, cycleways, structures, and lighting columns? To what standard do you collect this data and with what frequency?

In 2024/25 the County Councils carried out a Footway Network Survey as per the UKPMS guidance. This was an adhoc survey which saw 64% of the network surveyed.

East Sussex County Council also carries out negative urban and rural tree surveys on a five yearly basis using the principles of Visual Tree Assessment.

As part of the County Council's regular safety inspections stewards now grade network sections (carriageway and footways) as good, fair or poor. This has been carried out since 2023 and is an addition to the general observations of defects which do not meet investigatory levels. (See [Inspection Manual and Investigatory Level Matrix](#) for details).

The County Council's highway contractor is currently trialling SmartVision X to aid with safety inspections.

The information in this report is complete and correct to the best of my knowledge			
Role	Name	Signature	Date
Head of Highways	Andrew Turner		24 July 2025
S151 Officer	Ian Gutsell		13 August 2025
Lead Cabinet Member for Transport and Environment	Claire Dowling		