

<p>COUNCILLOR STUART WHITTINGHAM CABINET MEMBER FOR HIGHWAYS AND TRANSPORT</p>	<p>6 DECEMBER 2017</p> <p>HIGHWAY INFRASTRUCTURE ASSET MANAGEMENT POLICY AND HIGHWAY INFRASTRUCTURE ASSET MANAGEMENT STRATEGY</p>
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REPORT SUMMARY

The purpose of this report is to inform and seek endorsement from the Cabinet Member regarding the Highway Infrastructure Asset Management Policy and Infrastructure Asset Management Strategy.

Asset management is widely accepted as a means to deliver a more efficient and effective approach to management of highway infrastructure assets through longer term planning and ensuring that levels of service are defined and achievable for available budgets. It supports making the case for funding, for better communication with stakeholders, and facilitates a greater understanding of the contribution highway infrastructure assets make to economic growth and the social well-being of local communities.

The first Highway Asset Management Strategy documents were presented to Cabinet in March 2012. The time has now come to review these documents in line with the Wirral Council Plan: A 2020 Vision and the New Code of Practice “Well-managed Highway Infrastructure” published by the UK Roads Liaison Group (October 2016) which replaces “Well-maintained Highways”, “Management of Highway Structures” and “Well-lit Highways”.

The Wirral Council Plan sets out 20 pledges and is based around three key themes - protecting the most vulnerable; driving economic growth; improving the local environment. The Wirral Growth Plan (January 2016) is one of the underpinning strategies to the Wirral Council Plan; it acknowledges that the provision of efficient, well maintained and accessible transport networks is a critical factor in encouraging inward investment, facilitating economic growth, providing a socially inclusive and integrated highway network, attracting more visitors and to transforming Wirral’s economy. Observing asset management principles will support these objectives.

This is a Key Decision and affects all wards.

RECOMMENDATION/S

The Cabinet Member is requested to:

1. Endorse the draft Highway Infrastructure Asset Management Framework approach (see Strategy document page 2).
2. Approve the Highway Infrastructure Asset Management Policy (HIAMP) attached.
3. Approve the Highway Infrastructure Asset Management Strategy (HIAMS) attached.
4. Instruct officers to further develop the HIAMP and HIAMS and to report back in the future.

SUPPORTING INFORMATION

1.0 REASON/S FOR RECOMMENDATION/S

In December 2014 the Secretary of State for Transport announced that £6 billion would be made available between 2015/16 and 2020/21 for local highway maintenance Capital funding. Of this, £578 million has been set aside for an incentive fund scheme to reward Councils who demonstrate they are delivering value for money in carrying out cost effective improvements.

Local highway authorities in England were invited to submit a Highways Maintenance Capital Funding Self-Assessment Questionnaire, in order to establish the share of the incentive fund they were eligible for in 2016/17.

Central Government (through the DfT) have provided clear indication that local Highway Authorities are expected to embed the use of asset management principles for the future maintenance of their highway infrastructure assets and this is scored through the self-assessment questionnaire.

The Council currently has a self-assessment questionnaire score of Band 3 but this is a default score purely due to Wirral being part of the Devolved Liverpool City Region. The Council standalone score is currently a Band 1 and this could be detrimental in funding terms. In the February 2018 submission, Highways need to demonstrate a Band 2 score (out of the current 3 Bands) in order to hold our own in the Liverpool City Region Combined Authority.

To achieve a Band 2, as a Highway Authority, we will have to demonstrate we have embedded asset management principles into management of the network and assets. Endorsement of the HIAMP and HIAMS are essential in working towards achieving this.

Furthermore, in October 2016 a new Code of Practice was published by the UK Roads Liaison Group (UKRLG) which replaces “Well-maintained Highways”, “Management of Highway Structures” and “Well-lit Highways”.

The new Code supports the change from reliance on specific guidance and recommendations in previous Codes to a risk-based approach determined by each Highway Authority which will involve appropriate analysis, development and gaining of approval through authorities’ own executive processes.

The Code is further supported by the document endorsed by the Institute of Highway Engineers “Well Managed Highway Liability Risk” (March 2017).

Local Highway Authorities have been given a period of 2 years in order to comply with the new Highway Code of Practice; compliance is therefore, necessary by October 2018.

Asset management principles are critical to support the Code and the Courts will look to the new Code as an example of good practice when assessing claims.

2.0 OTHER OPTIONS CONSIDERED

Option 1 - do nothing - the new Code is not statutory but it does provide Highway Authorities with crucial guidance on highway management. The extent to which the recommendations are adopted is ultimately a matter for each Highway Authority. However, the Courts will look to the new Code as an example of good practice and there will be an expectation on Highway Authorities to comply with the Code. In addition, we will not be able to achieve a higher banding in the DfT Self-Assessment which could have a detrimental effect on Highway funding.

Option 2 – develop the HIAMP and HIAMS but without endorsement by Cabinet – lack of approval by the Cabinet Member and senior decision makers will ultimately be viewed in the same way as Option 1 with the potential detrimental effect to the Council when viewed by the Courts and funding sources.

3.0 BACKGROUND INFORMATION

The first Highway Asset Management Strategy documents were presented to Cabinet in March 2012. The time has now come to review these documents whilst ensuring they will contribute to the corporate priorities for ensuring that Wirral has a safe and well-maintained highway network for all users.

It will provide the opportunity to work with internal colleagues and key stakeholders to ensure that highway assets are managed to align with new national guidance whilst working alongside our neighbouring local Highway Authorities.

To further develop an asset management approach with the HIAMP, HIAMS and supporting documents and processes, will contribute to sustainable asset management by ensuring that new infrastructures adopt the most appropriate design option and the most appropriate materials. Additionally, maintenance programmes, when appropriately planned, will contribute to environmental sustainability by reducing waste and minimising whole life costs.

4.0 FINANCIAL IMPLICATIONS

Financial – The continued development of the HIAMP, HIAMS and supporting documents, data collection and management, policy reviews and asset valuation will be managed using existing Revenue and Capital resources as appropriate.

Financial – An external review of the DfT Self-Assessment Questionnaire will require additional funding. Some funding for external review has been identified.

Financial – A staff training budget will be required for regular training to maintain competency for staff undertaking roles in asset management, from the Highway Asset Manager, to 'Asset Owners' to Highway Inspectors. This will ensure the Authority has the continuing ability to efficiently and effectively prepare, implement and review the approach to asset management. Investment in development of staff will support the overall improvement in the implementation and delivery of asset management supporting the subsequent business benefits and will contribute positively to risk management and defence of compensation or liability cases.

Financial – Future acquisition of an integrated asset management system is likely to be funded from a business case approach to an Invest-to-Save bid based upon savings associated with maintenance investment, where investing in outstanding structural maintenance today, should provide a good foundation from which to manage assets at far lower levels in the future with a long term net gain to the Council. In addition, the improved quality of highway inspection data and maintenance arrangements and the ability to evidence this information will reduce repudiation rates in respect of claims to the insurance team.

5.0 LEGAL IMPLICATIONS

The Council, as the Local Highway Authority, has a statutory duty to maintain highways at public expense.

A reduction in funding could prejudice the Council's ability to maintain the network in a condition necessary to satisfy the Council's statutory duties.

6.0 RESOURCE IMPLICATIONS: ICT, STAFFING AND ASSETS

ICT - Future acquisition of an integrated asset management system is fundamental to supporting and developing an asset management approach. The computer systems and databases we use to hold our asset registers and asset information are personalised disparate systems and although comprehensive, some are due to lose maintenance support in the near future. Where these inadequacies are identified we will take a business case approach to ensure financial investment will provide the appropriate resolution.

Staff - An internal staffing resource will be required to offer ICT expertise and mitigate the risk of adopting an asset management system that is incompatible or causes complications for colleagues in ICT Support.

7.0 RELEVANT RISKS

Failure to adopt and further develop an asset management approach will prevent the Council from improving its Band Level in the Highways Maintenance Capital Funding Self-Assessment Questionnaire for the Incentive Fund and is therefore, likely to have a detrimental effect for future

funding opportunities and disadvantage the Council against stakeholders in the Liverpool City Region Combined Authority.

Failure to adopt and further develop an asset management approach will limit opportunities for the Council to benefit from medium and long-term savings arising from whole life costing in maintenance investment decision making.

The Code is not statutory but it does provide Highway Authorities with crucial guidance on highway management. The extent to which the recommendations are adopted is ultimately a matter for each Highway Authority. However, the Courts will look to the new Code as an example of good practice and there will be an expectation on Highway Authorities to comply with the Code by October 2018.

8.0 ENGAGEMENT/CONSULTATION

Consultation is carried out on a regular basis with key stakeholders including officers at MerseyTravel and the Merseyside Local Authorities as part of the Liverpool City Region Combined Authority Key Route Network; subsequent benchmarking exercises and workshops will help to inform the development of the HIAMP and HIAMS in the future.

Consultation has also been undertaken with colleagues at Cheshire West and Chester Council due to the cross land boundaries on the highway network.

Consultation with internal colleagues has taken place and will continue to do so. This will support and strengthen the HIAMP, HIAMS and supporting documents to ensure they align with the Council's higher arching policy and strategy documents including the Council Vision, Risk Management Policy, Community and Engagement Strategy and the Local Transport Plan.

9.0 EQUALITY IMPLICATIONS

Has the potential impact of your proposal(s) been reviewed with regard to equality?

(a) Yes and impact review is attached – *(insert appropriate hyperlink)*.

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2017-0>

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APPENDICES

- Highway Infrastructure Asset Management Policy (HIAMP)
- Highway Infrastructure Asset Management Strategy (HIAMS)

REFERENCE MATERIAL (available from the report author)

- Highway Infrastructure Asset Management Communication Plan
- Highway Infrastructure Asset Management Asset Data Information Plan
- Highway Infrastructure Asset Management Performance Framework

SUBJECT HISTORY (last 3 years)

Council Meeting	Date