

WIRRAL COUNCIL

CABINET – 3 SEPTEMBER 2009

REPORT OF THE DIRECTOR OF TECHNICAL SERVICES

ACCEPTANCE OF HIGHWAY ASSET MANAGEMENT GRANT

1.0 EXECUTIVE SUMMARY

- 1.1 The purpose of this report is to advise Members on the recent success of the Council in securing asset management funding from the Department for Transport (DfT) to assist in the development of the Council's asset management capability for managing and maintaining Wirral's highway network.
- 1.2 Members are requested to approve the use of the DfT Grant to deliver the Highway Asset Management Strategy outlined in this report.

2.0 HIGHWAY NETWORK

- 2.1 The Council is responsible for the maintenance of the adopted highway network in Wirral and many infrastructure assets.

- 2.2 The extent of the Council's highway asset is:-

- 122 km of A roads
- 61 km of B Roads
- 922 km of unclassified roads
- 1250 km of pavement and footpaths
- 300 bridges and other highway structures
- 37,600 lighting units
- 5350 illuminated signs
- 14,000 traffic signs
- 102 traffic signalled junctions
- 141 pedestrian signal facilities
- 2.2 million square metres of grass
- 24,000 trees in landscaped area and highway verges
- 11.8 km of cycleway
- 117 km of public rights of way (public footpaths, bridleways etc)
- 54,000 road gullies

- 2.2 Also contained within the highway asset are various components of the network which are currently being assessed to record their length/number, location and condition.

These include:-

- Structures and street furniture in landscaped areas maintained by the Technical Services Department
- Highway drainage
- Council owned drainage culverts and ditches
- Pedestrian guard rail
- Highway seats
- Bollards
- Other items of street furniture such as information signs and street art.

- 2.3 The inspection and maintenance of all of the above assets is the responsibility of the Council and the frequency of inspection is specified in the Council's Highway Maintenance Policy.

2.4 Overall, annual expenditure on maintaining all the different components of the highway asset amounts to £7-8 million per annum and key activities are as follows:-

- Improving/resurfacing roads and pavements
- Maintenance of street lights and illuminated street furniture
- Maintenance of coastal structure, bridges and retaining walls
- Reactive repairs to roads including the renewal of road markings
- Reactive repairs to pavements including the maintenance of street furniture such as traffic signs, pedestrian guard rail, seats, bollards etc
- Winter maintenance
- Maintenance of road gullies and associated highway drainage

3.0 HIGHWAY MAINTENANCE POLICY

3.1 The Council's Highway Maintenance Policy was adopted in January 2005 and is based on the following key principles:

- i) the compilation of a detailed inventory of all components of the network
- ii) a statement of highway maintenance policies and procedures
- iii) a defined hierarchy for all elements of the network to meet the needs of the highway user
- iv) a consistent approach for inspecting, recording, prioritising and programming maintenance works
- v) the effective use of limited resources to achieve safety, serviceability and sustainability
- vi) procedures for dealing with the implications of winter service operations, statutory utility works, deficient drainage systems and the planning of major/minor highway improvement/reconstruction schemes on the availability of the network to the user
- vii) the effective management of the Council's maintenance contractors operations in relation to:-
 - a) surfacing and reconstruction schemes
 - b) street lighting repairs and renewal
 - c) highway drainage minor works and gully cleansing
 - d) traffic signal maintenance
 - e) grounds and tree maintenance
- viii) the effective use of condition information in determining future maintenance programmes and the reporting of National Performance Indicators.

4.0 DEVELOPMENT OF AN ASSET MANAGEMENT PLANNING APPROACH

4.1 In recent years the concept of highway asset management has become increasingly important for the management of highway networks. In June 2004 the County Surveyors Society published the "Framework for Highway Asset Management" which encouraged highway authorities to develop a strategic approach to highway asset management.

4.2 In conjunction with the other Merseyside Authorities, Wirral has commenced work on the preparation of a Highway Asset Management Plan (HAMP) and the fundamental aim of developing the plan is to initially determine:

- i) What assets do we have? (Inventory)
- ii) Where are they?
- iii) What condition are they in?
- iv) How much money do we spend on them?

- v) What service is being provided?
 - vi) Is the service satisfactory?
 - vii) What is necessary to maintain/improve the service for service users?
- 4.3 The inventory data of the assets identified in paragraph 2.1 is comprehensive and has been compiled through surveys undertaken during the last five years and is recorded in various separate bespoke computer systems.
- 4.4 Generally the condition data recorded assists in the preparation of maintenance programmes but some of the data is inaccurate and needs to be reassessed.
- 4.5 The highway network and other transport infrastructure assets together represent by far the biggest capital asset that the Council holds.
- 4.6 The cost of replacing the highway asset including bridges and highway structures is estimated to be in the region of £1.65 Billion and its continued maintenance is therefore vital to economic prosperity in the Borough.
- 4.7 Traditionally Council inventory records have been poor and few local authorities know what their infrastructure is worth, what it consists of and its condition. Nor do they have the detailed information that is needed to ensure that the money being spent is delivering best value resulting in a perception of a poor management approach.
- 4.8 Wirral's data inventory is generally good but data condition in some areas is out of date and is in the process of being updated.
- 4.9 The Department for Transport has recognised this fact by allocating grant funding to assist authorities to develop their asset management capability for their highway assets and to assist in the development of their Highway Asset Management Plans.
- 4.10 The Audit Commission has announced that asset management will feature in the Key Lines of Enquiry to be followed in the new Comprehensive Area Assessment from this year.
- 4.11 Based on these factors, the development of a new Highway Asset Management Strategy including new ICT system was identified as an important consideration in the new Highway and Engineering Services Contract with Colas that commenced in April this year. Due to the mutual benefits to both organisations, Council officers will be looking to seek a financial contribution from Colas if possible.

5.0 DEPARTMENT FOR TRANSPORT ASSET MANAGEMENT GRANT

- 5.1 In July 2008 the Department for Transport invited local authorities to bid for Asset Management funding to assist them with developing their asset management capability with regard to their highway asset inventories.
- 5.2 The DfT recognises that an authority's highway network is the largest and most visible community asset that it is responsible for, and in order to fulfil its potential, it is crucial that the local highway network is managed efficiently. Asset management is about ensuring the asset provides the service the public want from it. They also recognise that good asset management starts with knowing what assets you have what condition they are in and what they are to be used for. The extra funding will help local authorities to gather and use the data they need to ensure they get the best from the infrastructure they manage.

- 5.3 Following submission of the bid in December 2008 the Council received notification in February 2009 that it had been successful in its bid and had been allocated the maximum grant available.
- 5.4 The grant was based on Wirral's total road length and amounted to £84,000 in Capital Funding and £50,000 in Revenue Funding.
- 5.5 Details of the grant approval and conditions are attached.
- 5.6 It is proposed that this funding is used to assist the delivery of the Highway Asset Management Strategy set out in the next Section.

6.0 PROPOSED HIGHWAY ASSET MANAGEMENT STRATEGY

- 6.1 As part of the recent restructuring of the Highway Maintenance Division an Asset Management Section was created with a specific objective to improve the management of the Council's highway network/asset.

In order to achieve this objective it will be necessary to;

- Compile a detailed inventory of all components of the network to enhance our knowledge of the asset to use the data collected to improve our management capability.
 - Ensure that the data collected is fit for purpose and of sufficient quality to determine future investment requirements, prioritise improvements, calculate asset value, improve condition of the asset and improve customer satisfaction.
 - Use data collected to develop a HAMP.
 - Establish an asset register as a prerequisite of a cost effective maintenance regime.
 - Manage the data by ensuring that databases are kept up to date and integrated into a single software system.
 - Adopt a Whole Life Costing approach resulting in reduction in reactive maintenance.
 - Increase planned maintenance resulting in a slowing in deterioration and reducing the need for reconstruction.
 - Develop a long-term data strategy.
 - Procure a single software package as part of a new integrated Asset Management ICT system to store and manage data.
 - Liaise with Term Maintenance contractor, Colas, to determine their experience and knowledge of Asset Management Systems used in other authorities where Colas are the maintenance contractor or operate PFI contracts.
- 6.2 The implementation of the Asset Management Strategy project is at an early stage. Subject to Cabinet approval to accept the Grant and proceed with the Strategy, it will be necessary to prepare a detailed business case for the use of this project funding including a preferred procurement option.
- 6.3 A project management team has been set up comprising of highways technical staff from this department and ICT staff from the Department of Finance.

- 6.4 The initial objective of the team is to decide what ICT systems and development will be required to deliver the Asset Management Strategy including how the system integrates with the Council's existing CRM, financial and mapping systems.
- 6.5 When this objective is decided it will then be necessary to seek the advice of the leading industry experts and to visit other authorities to determine how these systems work in day-to-day maintenance operations.

7.0 FINANCIAL IMPLICATIONS

- 7.1 With regard to funding, it is the intention to use the grant from the DfT to contribute to the delivery of the Highway Asset Management Strategy including the costs of any new ICT systems required.
- 7.2 The cost of delivering the Strategy including a new ICT system may exceed the DfT Grant available and in the event that this is the case then subject to a continued robust business case it is proposed any shortfall will be met from mainstream Departmental Capital and Revenue budgets for highway maintenance.
- 7.3 The Grant funding has been allocated over a two year period. For 2008/09 the capital funding will be £43,600 with single revenue grant of £50,000. For 2009/10 the capital funding will be £40,800.

8.0 STAFFING IMPLICATIONS

- 8.1 It is the intention to use a project management approach (similar to HESPE) for the implementation of an Asset Management Strategy within the Department and also the possible procurement of a suitable computer system. Existing Technical Services staff will be involved on the project, together with other ICT and Procurement specialists from the Department of Finance.

9.0 EQUAL OPPORTUNITIES IMPLICATIONS

- 9.1 There are no implications under this heading.

10.0 COMMUNITY SAFETY IMPLICATIONS

- 10.1 There are no implications under this heading.

11.0 LOCAL AGENDA 21 IMPLICATIONS

- 11.1 There are no implications under this heading.

12.0 PLANNING IMPLICATIONS

- 12.1 There are no implications under this heading.

13.0 ANTI-POVERTY IMPLICATIONS

- 13.1 There are no implications under this heading.

14.0 SOCIAL INCLUSION IMPLICATIONS

- 14.1 There are no implications under this heading.

15.0 LOCAL MEMBER SUPPORT IMPLICATIONS

15.1 The Council's approach to managing its highway network has implications for all wards.

16.0 ACCESS TO INFORMATION

16.1 There are no implications under this heading.

17.0 RECOMMENDATIONS

17.1 Cabinet is requested to:

- (1) Formally note and accept the Grant outlined in section 5.0.
- (2) Endorse the implementation of the Highway Asset Management Strategy described in section 6.0.
- (3) Approve the use of the DfT Grant to deliver the Highway Asset Management Strategy subject to business case confirmation.

DAVID GREEN, DIRECTOR
TECHNICAL SERVICES