

Council Report

Improving Places Select Commission Meeting - Wednesday 14th October 2015

Title

Highway Asset Management Policy, Strategy and Plan 2015-2021

Is this a Key Decision and has it been included on the Forward Plan?

Yes

Strategic Director Approving Submission of the Report

Karl Battersby, Strategic Director Environment and Development Services

Report Author(s)

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Ward(s) Affected

All

Executive Summary

The report seeks endorsement of the Council's Highways Asset Management Policy, Strategy and revised Highway Asset Management Plan (HAMP) which covers the period 2015 – 2021.

Recommendation

1. That the Select Commission endorses the Highways Management Policy statement, Strategy and the HAMP covering the period 2015-2021.

List of Appendices Included

1. Highway Asset Mgt Policy
2. Highway Asset Mgt Strategy
3. Highway Asset Mgt Plan 2015-2021

Background Papers

Highway Infrastructure Asset Management Guidance
Highways Maintenance Efficiency Programme (HMEP).
DfT Local Highways Maintenance Capital Block Funding 2015/16 – 20/21
Local Maintenance Capital Funding self-assessment questionnaire and guidance

Consideration by any other Council Committee, Scrutiny or Advisory Panel

The report will be presented to Council at the 21st October 2015 meeting.

Council Approval Required

Yes

Exempt from the Press and Public

No

Title

Highway Asset Management Policy, Strategy and Plan 2015-2021

1. Recommendations

1.1 That the Improving Places Select Commission endorses the Highways Management Policy statement, Strategy and the Highway Asset Management Plan (HAMP) covering the period 2015-2021.

2. Background

2.1 The Council's approach to highway maintenance is based on two principles:

- The primary objective is to keep Rotherham's roads and footways in a safe condition and to nationally recognised standards.
- To carry out programmed maintenance as cost-effectively as possible (not necessarily works on roads that are in the worst condition).

2.2 The Council is responsible for maintaining approximately 700 miles of roads and 1,300 miles of footways and Public Rights of Way. The highway network is the Council's single biggest asset with a value of around £1.726b (gross replacement value) – see table 1.

Table 1: Size and value of major highway assets

Asset Type	Quantity	Estimated Gross Replacement Cost (£m)	Depreciated Replacement Cost (DRC) (£m)
Carriageways	712 miles (1,143 km)	£1,257m	£1,202m
Footways	1,052 miles (1,689 km)	£219m	£192m
Drainage	45,500 chambers, gullies etc. and 35 km of drainage pipes/chambers	Included in carriageway costs	Included in carriageway costs
Street Lighting/Furniture	35,216 street lights columns	£72.5m	£67m
Structures	185 structures - bridges, culverts and underpasses	£164m	£157m
Traffic Signals	107 traffic signalised junctions and pedestrian crossings	£13.5m	£6m
	Total Cost	£1.726bn	£1,625bn

2.3 Good asset management assists in meeting the four Corporate Priorities and in particular **CP3 - All areas of Rotherham are safe, clean and well maintained.**

2.4 Based on the latest information available from the DfT national data set (2013/14), the condition of the road network is as follows:

- The percentage of Principal Roads ('A' roads, which amount to 12% of the total road length) requiring significant works is 3%, with national average at 4%. **Note:** A £5m capital investment programme reduced this from 5% in 2008.
- The percentage of Non-Principal Roads ('B/C' roads, which amount to 23% of the total road length) requiring significant works is 7%, with the national average at 8%. **Note:** The recently completed 3-year (£3m) investment programme reduced this from 8% in 2011.
- The percentage of Unclassified Roads ('U' roads, which accounts for the remaining 65% of our total road length) requiring significant works is 21%, compared with the national average at 18%.

3. Key Issues

3.1 The Asset Management Policy (Appendix 1) and Strategy (Appendix 2) sets out the objectives that the Council aspires to achieve from the management of its assets. It links into the corporate vision and demonstrates how the maintenance of the highway assets will support that vision over the medium to long term.

3.2 The HAMP (Appendix 3) is a technical document which sets out the principles that will help shape and determine the future methods of managing the Council's highway assets. Services can be delivered more efficiently through having better information about the asset and Highway Maintenance budgets can then be used to prevent deterioration as much as possible and optimise service delivery within the available resources. It will also support our priority to maintain a safe highway network. CIPFA has estimated that if a local authority follows an asset management approach to managing the highway network it could achieve efficiency savings in excess of 5%.

3.3 The HAMP is an evolving document that will shape the long term approach to managing the highway assets; it takes into account lifecycle analysis, whole life costing principles, stakeholder expectation, statutory requirements and funding availability.

4. Options considered and recommended proposal

4.1 The consequence of having a poorly maintained highway network impacts directly on all road users, has a detrimental impact onto the local economy and on user's perceptions of the borough. Poor roads mean increased

vehicle operating costs, delays and less safe roads, and as a result may influence investment decisions.

- 4.2 Highway lifecycle planning is used to develop a sustainable maintenance strategy over the life of the asset from construction to disposal, thereby enabling the ability to predict the future performance of the asset for different levels of investment. Mitigating the risk of failure by allocating funds to where they will be most beneficial. This type of allocation moves away from a more traditional “worst first” approach and targets work programmes at those parts of the infrastructure which present the greatest risk and where timely treatment can achieve the most beneficial whole of life cost. This approach is advocated the Audit Commission, Going the Distance Report 2011.
- 4.3 Through improving capture and analysis of information about the maintenance of the highway assets, services can be delivered more efficiently. Highway maintenance budgets can be focused on preventing deterioration and in so doing ensure that we derive maximum benefit from available resources.

5. Consultation

- 5.1 As part of the management of highway assets good communications with stakeholders is essential. Engagement has been carried out with key stakeholders on the strategy for managing our highway assets and our decision making process.

6. Timetable and Accountability for Implementing this Decision

- 6.1 Responsibility for implementation of the HAMP will sit with the Highway Asset Managers within EDS. The Highway Asset Principal Engineer will lead and coordinate actions with the HAMP.
- 6.2 An annual review of the HAMP and highway condition will be produced for both Commissioner and Advisory Cabinet Member taking into consideration the vision and priorities coming out of Rotherham’s new Community Strategy.

7. Financial and Procurement Implications

- 7.1 The HAMP sets out the principles on which available funding decisions could be made for highway maintenance. It informs for example the method of allocating the £5m RMBC Capital Unclassified Roads Fund (2015-2017). Adoption of the HAMP does not commit the Council to any (additional) spending on the Highway Network. Signed off Andy Sidney 18/09/15

8. Legal Implications

8.1 None – Report and appendices signed off by Stuart Fletcher

9. Human Resources Implications

9.1 None - Report and appendices signed off by Julie Hall

10. Implications for Children and Young People and Vulnerable Adults

10.1 None

11 Equalities and Human Rights Implications

11.1 None

12. Implications for Partners and Other Directorates

12.1 None

13. Risks and Mitigation

13.1 The DfT Local Highways Maintenance Capital Block Funding 2015/16 to 2020/21 has changed from a “needs based” full allocation as in previous years to now include two additional elements, an incentive based element amounting to 9.6% of the total allocation over the period 2015-21, and a competitive challenge element for major maintenance projects based around a benefit/cost analysis.

13.2 The incentive based element is dependent on being able to demonstrate that the Council applies the principles of good asset management, and that it is pursuing efficiencies as defined in the Highways Maintenance Efficiency Programme (HMEP).

13.3 The needs based element for each local authority has been set for the first three years (from 2015/16 to 2017/18) with indicative allocations for the subsequent three years from 2018/19 to 2020/21. The allocation against this element will reduce from £3,722k in 2015/16 to £2,995k by 2018/19; the incentive element increases to £624k over the same period giving a maximum allocation of £3,619k.

13.4 If the HAMP is not endorsed or approved by the s.151 Officer it will affect the DfT Highways Maintenance Allocation, in particular the incentive element. It would also affect any future challenge bids from the DfT LTP allocation. In essence this means that if we do not have an approved HAMP, then the Council will see its allocation reduce progressively to £2,995k.

14. Accountable Officer(s)

Karl Battersby, Strategic Director Environment and Development Services

Approvals Obtained from:-

Strategic Director of Finance and Corporate Services: Named officer
Andy Sidney, Finance Manager

Director of Legal Services: Named Officer - Report and appendices signed off Stuart
Fletcher 21/09/15

HR: Named Officer - Report and appendices signed off Julie Hall 21/09/15

Head of Procurement (if appropriate):

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