

# Southend-on-Sea Borough Council

Agenda  
Item No.

Report of Deputy Chief Executive for  
Place

to

Cabinet

on

19 September 2017

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**Highways/Transport Infrastructure Asset Management (HIAM) – An Asset Management  
Approach and Plan for Highway Infrastructure**

**Place Scrutiny Committee(s)**  
**Executive Councillor: Councillor Tony Cox**  
**Part 1 (Public Agenda Item)**

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## 1. Purpose of Report

- 1.1. To provide Cabinet with an update on progress in developing the Council's approach to Highways/Transport Infrastructure Asset Management (HIAM).
- 1.2. To agree of the Highways Infrastructure Asset Management Plan (HIAMP) and supporting documentation set out in **Appendix 1**.
- 1.3. To inform Cabinet of the change of the Council's banding for the next Department for Transport self-assessment questionnaire (SaQ) return.
- 1.4. To agree the approach as set out in the HIAMP which will assist the continued implementation and development of asset management and also support the basis for consistency amongst UK local authorities and therefore the delivery of the benefits associated with asset management.
- 1.5. To agree the Lifecycle Plans which comprise the approach to the maintenance of an asset from construction to disposal and which may be used to demonstrate how funding and/or performance requirements are achieved and through appropriate maintenance strategies For example, the different treatment options and the balance between renewal and routine maintenance; which will assist in setting the priorities for investment.

## 2. Recommendations

### 2.1. Cabinet are recommended:

- 2.1.1. **To agree the HIAMP and appendices as the Council's approach to asset management and operational service delivery.**

- 2.1.2. To agree continued cross boundary joint working on asset management, enabling better understanding and development of collaborative working, benchmarking and efficiency, resilience, customer communications and operational delivery to support the management of assets in Southend-on-Sea.**
- 2.1.3. To note the lifecycle plans which form the basis for the prediction of future performance of a group of assets, based on investment scenarios and maintenance strategies.**
- 2.1.4. To agree that the HIAMP and appendices will influence the Council's approach to highway maintenance and management of assets in order to meet the requirements as set out by the Department for Transport.**
- 2.1.5. To note the increase of the Council's banding for the next Department for Transport self-assessment questionnaire (SaQ) return. The result of which will be the Council will receive it's full funding award and improving the case for additional funding grants by adopting asset management principles.**

### **3. Background**

- 3.1.** In December 2014, the Government announced that £6 billion was being made available between 2015/16 and 2020/21 for local highways maintenance capital funding.
- 3.2.** From that funding, £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.
- 3.3.** Since then, the Government has announced a further £250 million between 2016/17 and 2020/21 to help tackle potholes or stop them forming as part of a Pothole Action Fund and in November 2016, a further £1.1 billion was announced for local roads.
- 3.4.** In January 2017, each local highway authority in England (excluding London) was invited to complete a self-assessment questionnaire (SaQ), in order to establish the share of the Incentive Fund they are eligible for, in 2017/18. This includes those authorities who are currently deemed Band 3 from the 2016/17 round.
- 3.5.** Each authority will score themselves against 22 questions, and place themselves into one of 3 Bands on the basis of the available evidence.
- 3.6.** The Incentive Funding awarded to each local highway authority was based on the score in this questionnaire, and will be relative to the amount received through the needs-based funding formula.
- 3.7.** In 2017/18, only authorities in Band 3 will receive the full share of the £578 million Incentive Fund whilst authorities in Band 2 received 90% and Band 1 authorities 60%. The percentages for Bands 1 and 2 will further decrease in

subsequent years, with only authorities in Band 3 being awarded their full share of the funding.

- 3.8. On the 22 September 2015, the Cabinet received a report on the Transport Asset Management Strategy (TAMS) – Guiding principles and draft action plan. Work to provide a robust framework for managing highway/transport assets and which meet the requirements by Department for Transport (DfT) has been undertaken.
- 3.9. The HIAMP and supporting documents have been produced using the 14 recommendations as set out by the Highways Maintenance Efficiency Programme (HMEP) Guidance, commissioned by Department for Transport (DfT).
- 3.10. HMEP prepared this Guidance for local highway authorities, which is endorsed by UK Roads Liaison Group (UKRLG), to support the adoption of asset management principles and enable implementation of the benefits of long term planning. This will support a more effective and efficient approach to the management of highway infrastructure.

The guidance hierarchy adopted by the UKRLG is shown below:

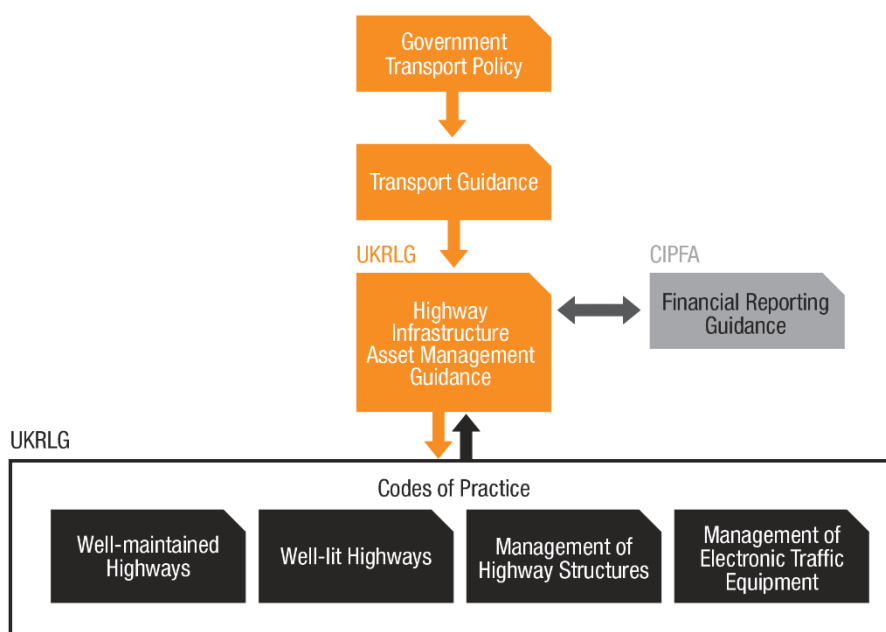
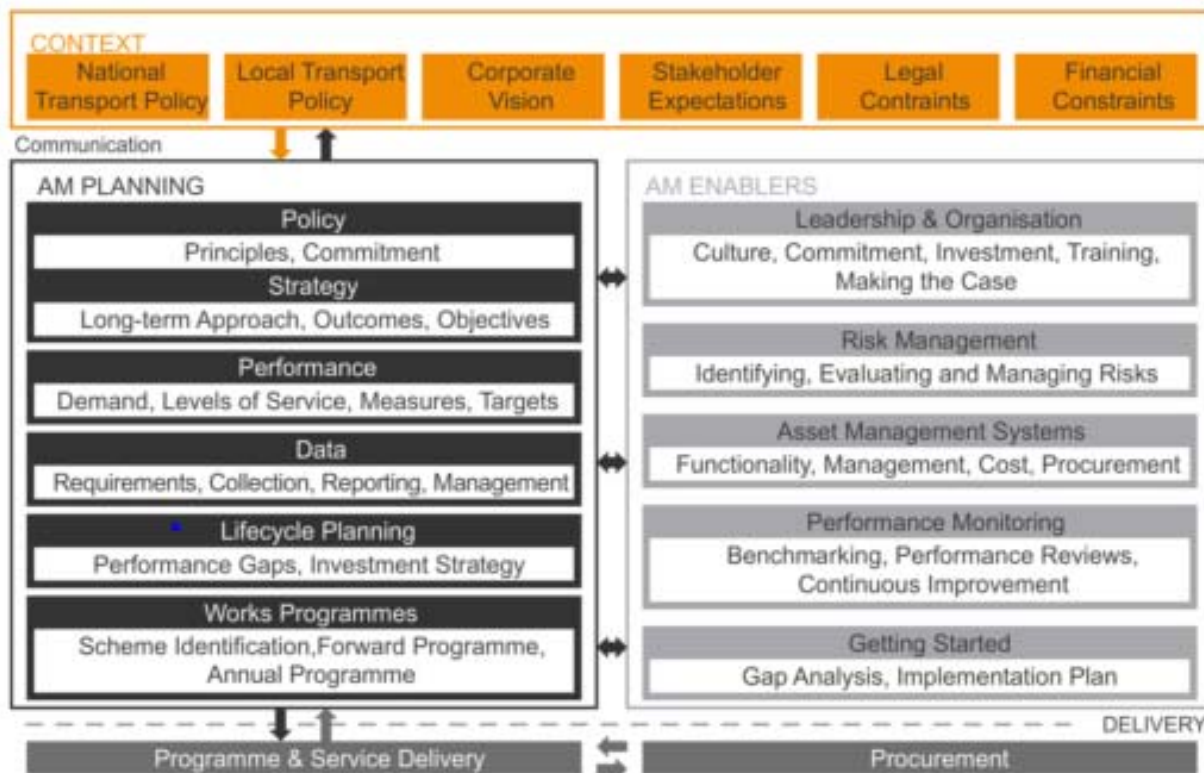


Figure 1 – UKRLG Guidance Hierarchy

- 3.11. Since the TAMS, considerable work has been undertaken to establish a framework for the Council’s Highway Infrastructure Asset Management Plan to achieve the top Band of 3.
- 3.12. Following a ‘dry run’ of the questionnaire in the summer of the 2015, in the return of the SaQ for 2015/2016 and 2016/2017 the Council was assessed to be a Band 2 authority. Following the continuing work of the Major Projects and Strategic Transport Policy Group to meet the requirements of SaQ the Council

can be declared a Band 3 authority for the next submission, expected to be due in the autumn of 2017

- 3.14.** The framework for Highway Infrastructure Asset Management sets out the activities that support asset management and with processes necessary to develop, document, implement and continually improve asset management. Asset Management Framework taken from Highways Maintenance Efficiency Programme (HMEP) Guidance:



- 3.15.** Apart from the Highways Infrastructure Asset Management Plan (HIAMP) the framework comprises of Asset Management Policy and Strategy, Setting and Measuring Performance, Asset Data, Lifecycle Planning, Works Programmes, Asset Management Leadership and Organisation, Risk Management, Asset Management Systems, Performance Monitoring and Implementation.
- 3.16.** Lifecycle planning principles for assets should be used to review the level of funding, support investment decisions, prioritise and substantiate the need for appropriate and sustainable long term investment.
- 3.17.** Development and use of lifecycle plans will demonstrate how funding and performance requirements are achieved through appropriate intervention (treatment option) and investment strategies, with the objective of minimising expenditure while providing the required performance.
- 3.18.** Lifecycle Plans for critical assets include Carriageways, Traffic Signals, Street Lighting and Structures. Further work is required to complete Footways and Drainage plans.

#### **4. Other Options**

- 4.1.** Do nothing and settle for a lower band score (Band 2). However, this would mean that the Council has no credible strategy for investing in assets and resulting in a significant loss of external funding for maintenance equal to £70k-£163k through to 2020/21 This would also affect the Council's reputation as other local authorities across the UK adopt the approach, develop and use collaborative working to do so.

#### **5. Reasons for Recommendations**

- 5.1.** This report provides an overview of the work undertaken to establish the Council with a framework which has the means to deliver a more efficient and effective approach to management of highway infrastructure assets. An appraisal of the HIAMP and appendices will benefit from Member involvement, engagement and support.

#### **6. Corporate Implications**

##### **6.1. Contribution to Council's Vision & Corporate Priorities**

- 6.1.1.** The HIAMP and appendices support the delivery of the Council's Vision and Corporate Priorities.

##### **6.2. Financial Implications**

- 6.2.1.** The Council will lose up to 30% (equal to £70k) of the Incentive Fund allocation from the Department for Transport (DfT) if it does not continue to implement and improve on the asset management at Band 3 through to 2018/19 The percentages for funding allocation for Bands 1 and 2 will further decrease in subsequent years, with only authorities in Band 3 being awarded their full share of the funding.

##### **6.3. Legal Implications**

- 6.3.1.** The Council has statutory obligations to maintain the highway and the HIAMP is an integral part of delivering this obligation.

##### **6.4. People Implications**

- 6.4.1.** The level of resources to ensure that the HIAMP can be maintained will be reviewed.

##### **6.5. Property Implications**

- 6.5.1.** The Council has an obligation to ensure it maintains its highway assets.

##### **6.6. Consultation**

- 6.6.1.** There will be a Member drop in session arranged where the HIAM framework, HIAMP and various aspects of it's associated policies and strategies will be consulted upon.

**6.6.2.** A Stakeholder Engagement and Consultation Plan will be devised and implemented.

**6.7.** Equalities and Diversity Implications

**6.7.1.** Different user groups have different needs and part of the development of the final HIAMP will be subject of a full equality analysis as part of the Stakeholder Engagement Plan. It is important that the Council's assets are maintained in a condition that meets the needs of all its residents and the HIAMP and supporting documents will assist in this.

**6.8.** Risk Assessment

**6.8.1.** This forms part of the HIAMP which is an integral part of the risk based approach. The key risk is that the Council will lose a significant level of incentive grant funding for the Department for Transport if it does not retain Band 3.

**6.9.** Value for Money

**6.9.1.** The HIAMP documents the asset management process to provide clarity and transparency and to ensure the highway infrastructure is efficiently maintained and that investment is targeted to ensure the assets are maintained in their optimum condition.

**6.10.** Community Safety Implications

**6.10.1.** Understanding the Community Safety impacts and maintaining the highway efficiently is a key part of the HIAMP, particularly in respect of the developing investment plan, highway inspection regimes and managing reactive maintenance.

**6.11.** Environmental Impact

**6.11.1** Well maintained and accessible highway infrastructure is vital and fundamental to the economic, social and environmental well-being of the community. Environmental impact will be considered in the effective re-use of materials, sustainability of the supply chain, flood risk and managing surface water systems, low energy lighting systems and ensuring that corporate policies are considered alongside the HIAMP.

**7. Background Papers**

TAMS Report to Cabinet on 22 September 2015, Agenda item no. 30.

**8. Appendices**

**Appendix 1 – Highways Infrastructure Asset Management Plan (HIAMP)**