



Derby City Council

**COMMUNITIES SCRUTINY REVIEW BOARD**  
**17 September 2018**

**ITEM 5**

Report of the Strategic Director for  
Communities and Place

**Highway Infrastructure Asset Management**

**SUMMARY**

- 1.1 On 12 September 2018, approval will be sought from Council Cabinet to adopt the new Highway Infrastructure Asset Management Framework, Policy and Strategy. These will replace the 2014/15 Policy and Strategy and have been developed in line with current guidance.
- 1.2 In October 2016, the UK Roads Liaison Group launched the new Well Managed Highway Infrastructure Code of Practice: October 2016. Commissioned by the Department for Transport, the Code promotes the adoption of an integrated asset management approach, providing appropriate levels of service and considering the needs of all road users. Local authorities have two years to implement the code, with the revised Policy and Strategy and a new Highway Infrastructure Asset Management Framework being pivotal to our approach.
- 1.3 Further documents which form part of the Highway Infrastructure Asset Management Framework and requiring cabinet approval will be presented at a later date.

**RECOMMENDATION**

- 2.1 To consider and comment upon the content and implementation of the new Highway Infrastructure Asset Management Framework, Policy and Strategy.
- 2.2 To support the continuation of applying good asset management principles in accordance with implementing the new Well Managed Highway Infrastructure Code of Practice. This continued adoption of asset management will be the backbone to maintaining all highway infrastructure assets.

**REASONS FOR RECOMMENDATION**

- 3.1 The Department for Transport Incentive Fund requires authorities to have an up to date and approved asset management policy and strategy. This should link with the Council's vision and objectives and provides all highway asset owners a clear 'line of sight' for implementing maintenance and improvements to the highway network and associated infrastructure.

- 3.2 The documents also enable the authority to maintain the optimum Band 3 status on the Incentive Fund self-assessment process, which secures our funding allocation for maintenance improvements and demonstrates a maturity and continual improvement in asset management processes. Having an adopted approach puts the authority in a good position for bidding for future available funds.
- 3.3 The Well Managed Highway Infrastructure Code of Practice 2016 also recommends the documents are developed and published, taking into consideration new guidance and clearly demonstrating the contribution asset management makes towards achieving the Council's vision.
- 3.4 The Highway Infrastructure Asset Management Framework currently has a suite of 26 documents that sets out the plans and policies for management and delivery of highway infrastructure maintenance and improvements. Some of these documents require senior endorsement, including the new Highway Safety Inspection Manual and Highway Infrastructure Risk Management Policy which are still in development. Others are more operational processes and complete the framework of activities, but do not require cabinet approval. Further documents will be brought to Cabinet at a future date.
- 3.5 Officers, in their role as 'Highway Asset Owners' have completed a considerable amount of work in preparation for the implementation of the Well Managed Highway Infrastructure Code of Practice. Changes will need to be implemented to the way the carriageway and footway assets are inspected, repaired and managed, meaning that we have a better understanding of the maintenance need, how the defect is treated and prioritised. Other highway assets are also being reviewed with processes being formally documented.

## **SUPPORTING INFORMATION**

- 4.1 The highway infrastructure assets in Derby are by far the Council's biggest asset and are valued at almost £2.8 billion. A significant part of that are the carriageways and footways valued at £1.2 billion. The assets are used daily by the majority of the travelling public for commuting, business, social and leisure activities. They are fundamental to the economic, social and environmental wellbeing of local communities and to the prosperity of the city. As stewards of the highway infrastructure assets, we must demonstrate that we have provided adequate provision for their upkeep and safety as can be reasonably expected.
- 4.2 Like any physical asset, the highway network requires maintenance to manage deterioration. The application of sound asset management principles takes a long-term view of how assets are managed and ensures that the limited available funds are spent on activities that prolong the life, rather than expensive reactive repairs. This will deliver better value for money and maximise efficiency. This is the backbone of the new asset management policy and strategy.

- 4.3 The Well Managed Highway Infrastructure Code of Practice was launched in October 2016 with a requirement for it to be implemented by October 2018. It has 36 recommendations which local authorities need to consider and adopt in their approach to asset management. The Code recommends a risk based approach should be adopted for all aspects of highway infrastructure maintenance, including setting levels of service, inspections, response times, resilience levels, priorities and programmes. No minimum standards are set in the Code, which means authorities must establish the levels of service appropriate to their networks.

- 4.4 A thorough review of the Code of Practice and a gap analysis on our maturity towards achieving the recommended practices has been carried out. It highlighted a suite of policies and processes that needed to be adopted. The Highway Infrastructure Asset Management Framework, which includes an updated policy and strategy, provides the tools to deliver our approach. All the documents will provide a robust case for why we manage the assets the way we do and how we propose to face the challenges of managing them in the future. We are not starting from scratch, with several of the documents already in existence. These will be regularly reviewed and updated as required.

Key pieces of work completed towards the implementation of the new code include:

- A new network maintenance hierarchy, which defines the current and expected use of every road section in Derby (not just A,B,C roads) and takes into account local economic and social factors to determine levels of service, treatment types and appropriate response times.
- A cross asset risk register which identifies the current and future risks associated with highway assets at an operational level and aligned with the authority's corporate approach and management of risk
- A full review of our inspection regime, investigation levels for all types of carriageway and footway defects and appropriate response times, with due consideration to their location on the hierarchy and completion of a full risk-based assessment
- A programme of continuing professional development, ensuring our competency requirements are in line with the Code. This upskilling of officers will help implement the Code and possibly deal with any legal challenges to our approach
- Development of a resilient network to enable continued network availability and access to key services during extreme weather events
- Preparation of policies and processes to support the asset management approach
- Full condition surveys of the road and footway assets to determine current condition and their approximate age in the repair lifecycle, identifying the appropriate treatments for the remainder of their useful life and providing a sound basis for scheme prioritisation and forward work programmes.

- 4.5 Consultation on our approach is ongoing. An equality impact assessment has been completed to review the possible impacts of the policy and strategy with equality groups and discussed with the Disability Hub. Discussions are scheduled with the Strategic Bus Partnership and the Active Travel Forum. A broad consensus has been received from initial discussions with these groups. We have worked with corporate legal, risk and insurance colleagues and solicitors to make certain that our risk based approach can suitably withstand any highway liability exposures. A great deal of collaboration has been ongoing with local authorities, both locally and nationally, and we have been able to apply best practice and learning processes from others experiences of implementing the Code, in the course of refining our own approach.

#### **OTHER OPTIONS CONSIDERED**

- 5.1 Not having the appropriate documents and practices in place will potentially cost the authority £186k per annum which is 10.4% of our highway maintenance block needs element from Department for Transport, as we would lose our Band 3 status, which is the optimum position to secure our full funding allocation for maintenance improvements. This in turn would place pressure on other council budgets to provide funding to address critically deteriorating highway assets. It will also reduce our chances of successful bids for funding if we cannot demonstrate an asset management approach which has been adopted at a corporate level.
- 5.2 Not having an adopted asset management approach means highway asset owners will potentially work in isolation, over or under maintain their assets (not completing the right treatment in the right place at the right time) and deliver costly improvements without due consideration of risk, available resources and the long term requirements of the overall network.
- 5.3 A 'Do Nothing' option would also have a detrimental effect on the level of service provided to Derby residents, resulting in poorly maintained highway assets and have an adverse economic impact on the city.

**This report has been approved by the following officers:**

<b>Legal officer</b> <b>Financial officer</b> <b>Human Resources officer</b> <b>Estates/Property officer</b> <b>Service Director(s)</b> <b>Other(s)</b>	Richard Antcliff – Director of Public Protection and Streetpride
<b>For more information contact:</b> <b>Background papers:</b> <b>List of appendices:</b>	Kully Boden 01332 642013 <a href="mailto:kully.boden@derby.gov.uk">kully.boden@derby.gov.uk</a> None Appendix 1 – Implications Appendix 2 – Highway Infrastructure Asset Management Policy Appendix 3 – Highway Infrastructure Asset Management Strategy Appendix 4 – Highway Infrastructure Asset Management Framework

## IMPLICATIONS

### Financial and Value for Money

- 1.1 Not having the appropriate documents and practices in place will potentially cost the authority £186k per annum, which is 10.4% of our highway maintenance allocation from Department for Transport.

### Legal

- 2.1 Implementation of the Well Managed Highway Infrastructure Code of Practice: October 2016 is fundamental to our statutory duty of keeping the highway safe and free from obstruction, as set out in the Highways Act 1980.

### Personnel

- 3.1 None

### IT

- 4.1 None

### Equalities Impact

- 5.1 An equality impact assessment has been completed to review the possible impacts of the policy and strategy with equality groups and discussed with the Disability Hub.

### Health and Safety

- 6.1 Adopting the asset management approach works towards our statutory duty as set out in the Highways Act 1980, to maintain the public highway in a safe manner for all users.

### Environmental Sustainability

- 7.1 The Well Managed Highway Infrastructure Code of Practice: October 2016 pays due regard to exploring efficient ways of working which minimise waste and the adoption of sustainable approaches to highway maintenance which do not have a negative impact on the natural environment.

### Property and Asset Management

- 8.1 The highway infrastructure assets in Derby are by far the Council's biggest asset and are valued at almost £2.8 billion. As custodians of these assets, we must

demonstrate that we have provided adequate provision for their upkeep and safety as can be reasonably expected.

### **Risk Management and Safeguarding**

- 9.1 The highway asset management policy and strategy is aligned with the Councils revised corporate risk policy.

### **Corporate objectives and priorities for change**

- 10.1 The highway asset management policy and strategy are aligned to the Council Plan and Derby Plan ambitions, in that making the most of our assets will work towards a safe, strong and ambitious city.