

SURREY COUNTY COUNCIL

CABINET

DATE: 27 MAY 2014

**REPORT OF: MR JOHN FUREY, CABINET MEMBER FOR HIGHWAYS,
TRANSPORT AND FLOODING RECOVERY**

**LEAD OFFICER: TREVOR PUGH, STRATEGIC DIRECTOR, ENVIRONMENT AND
INFRASTRUCTURE**

**SUBJECT: HIGHWAY ASSET MANAGEMENT POLICY, STRATEGY &
PRIORITISATION POLICY AND CRITERIA**



SUMMARY OF ISSUE:

Surrey's Transport Asset Management Plan (STAMP) was published nearly 10 years ago. STAMP's aim was to describe how the County Council would maintain all of Surrey's Highways and Transport infrastructure. New national guidance for developing Asset Management Plans for Highway Infrastructure was published in 2013. In line with this new guidance, the County Council has produced Asset Management Policy and Strategy documents and revised the prioritisation criteria for the five key Highway Assets; Roads, Footways, Structures, Safety Barriers and Drainage.

RECOMMENDATIONS:

It is recommended that Cabinet:

1. approves the Asset Management Policy for publication
2. approves the Asset Management Strategy for publication
3. approves the Prioritisation Policy and criteria for the development of capital programmes for the five key Highway assets; Roads, Footways, Structures, Safety Barriers and Drainage
4. agrees that minor future amendments to the above will be approved by the Strategic Director of Environment and Infrastructure in consultation with the Cabinet Member for Highways, Transport and Flooding Recovery (Annex 3)

REASON FOR RECOMMENDATIONS:

All recommendations were informed through close working of officers with the Environment and Transport Select Committee (ETSC)

Background

1. The Department for Transport (DfT) sponsored Highway Maintenance Efficiency Programme (HMEP) is a sector led transformation programme designed to maximise returns from highway investment and deliver efficient and effective services. Surrey is one of the authorities which is leading and shaping the programme through representation on the project board and on various working groups.
2. Asset Management has been widely accepted by central and local government as a means to deliver a more efficient and effective approach to management of highway infrastructure assets with expected savings of between 5 and 15% having been reported by other sectors who have adopted this approach.
3. To assist local authorities in carrying out effective Asset Management, HMEP have produced the "Highway Infrastructure Asset Management Guidance" (HIAMG) document. The Asset Management approach that SCC is following is based on this guidance and the policies, strategy and criteria contained in this report all follow recommendations within this guidance and other local and national best practice.
4. This documents contained in this report are considered the first stage of moving to a new longer term approach to managing highway infrastructure assets which will use the lessons learnt from the successful "Operation Horizon" programme to develop long term plans for a holistic approach to the management of all highway infrastructure assets.

Asset Management Policy and Strategy Documents

5. Surrey has developed Asset Management Policy (see Annex 1) and Strategy (see Annex 2) documents in line with the new guidance.
6. The development of the policy and strategy documents has been based on recommendation 5 of the HIAMG:

"An asset management policy and a strategy should be developed and published. These should align with the corporate vision and demonstrate the contribution asset management makes towards achieving this vision."
7. The Asset Management Policy seeks to demonstrate that the management of Surrey's key Highway Assets aligns with SCC's corporate vision and with the objectives of our Transport Plan. The policy therefore demonstrates how Highway and Transport Assets will be managed in future to ensure best value is provided for Surrey's residents together with an effective, reliable, safe and sustainable transport network.
8. The Asset Management Strategy provides information about how the Asset Management Policy will be achieved, by including information on;
 - the scale of the highway assets managed by SCC
 - the organisational structure that will be in place to manage the assets
 - the tools that will be used to carry out asset planning, such as lifecycle planning, levels of service, data collection, IT systems and financial planning.

Prioritisation Policy and Criteria

- 9. In 2012 an ETSC working group was formed to review the prioritisation criteria for capital roads schemes. During the course of the working groups discussions, it was agreed to produce a prioritisation policy which would eventually cover all highway assets and as an interim measure to also develop criteria for the development of Footways, Drainage, Structures and Safety Barrier capital programmes.
- 10. The benefit of a single policy to cover all highway assets is that it ensures consistency of approach across the range of main highway assets.
- 11. A review of best practice guidance documents and discussion with peer authorities identified the following five key areas in the development of prioritised programmes:
 - **Highway Maintenance/Improvement Issues** – we will analyse condition data available for each asset to identify those schemes in need of maintenance and improvement.
 - **Network Hierarchy** - we will ensure that greater priority is given to roads and key assets on roads that have the greatest usage or need by utilising the recently updated Surrey Priority Network.
 - **Risk** – we will give a higher priority to schemes that pose a risk to public safety.
 - **Value for Money** – we will use the right treatments at the right time in order to produce cost effective solutions and programmes of work.
 - **Network Management** - we will ensure works are programmed to minimise disruption to users and maximise benefits to the community by combining schemes for different assets together.
- 12. Details of the prioritisation criteria for each of the five key assets can be found in Annex 3 which also includes information about how and why the new criteria have changed.

Reasons why the 3 new documents are required

- 13. These three key pieces of documentation will join other documents already existing on our public website, which will form our Asset Management Framework. The framework will ensure that highways staff, Members and the public have clarity around how we manage our Highways and Transport assets.
- 14. Documents already existing as part of our Asset Management Framework include; SCC Inspection Policy; SCC Winter Maintenance Policy and Plan; SCC Flood Risk Management Strategy; budgetary information and information about planned programmes of work on the highway.

CONSULTATION:

- 15. The Asset Management Policy and Strategy Documents were developed in consultation with all Highways Group Managers; the Assistant Director for Highways and the Cabinet Member for Highways, Transport and Flood recovery.
- 16. The Prioritisation Policy and Criteria were developed by a joint Member/officer task group led by the previous chairman of the ETSC. During the course of this task

group both Hampshire Country Council and Transport for London also provided challenge to the process.

RISK MANAGEMENT AND IMPLICATIONS:

17. In order to manage the Highways and Transport assets in Surrey, valued at approximately £7billion, it is essential that the proposed Asset Management Framework is approved by Cabinet.
18. The risk of the Highways Service not following approved policies and strategies is that development of programmes could become fragmented and may not follow best practice guidance to provide best value. This could result in financial, operational and reputational risks to Surrey County Council.

Financial and Value for Money Implications

19. The Policy and Strategy documents and prioritisation criteria aim to ensure the most cost effective use of available funding through the identification and completion of programmes of work that follow recognised Asset Management principles.

Climate Change/Carbon Emissions Implications

20. The report recommendations will provide a positive impact on the County Council's commitment to sustainability. The programmes of works that are developed using the Policy and Strategy documents and prioritisation criteria will allow optimised planned maintenance activities over the lifecycle of all highway infrastructure assets and coordination of works to reduce road closures. Achieving long term performance of the assets is also a key feature that will reduce the frequency of treatments and volumes of materials required.

Section 151 Officer Commentary

21. The Section 151 Officer confirms that all material financial and business issues and risks have been considered and addressed. The recommendations are aimed at improving Highway asset management. The strategy and prioritisation criteria will be used alongside other information, including cost, to ensure value for money outcomes.

Legal Implications – Monitoring Officer

22. No legal implications have been identified.

Equalities and Diversity

23. An Equalities Impact Assessment has been carried out on the Prioritisation Policy and Criteria.(see Annex 4)
24. The Prioritisation Policy will ensure consistent, structured prioritisation of Roads, Footways, Drainage, Safety Barrier and Structures capital maintenance programmes to provide best value schemes.

WHAT HAPPENS NEXT:

25. Next Steps – all areas relating to Highway and Transport Asset Management are currently under review as part of the “Highways for the Future” Programme, including the longer term Asset Management Strategy Project. This project will provide an Asset Management approach to influence future longer term capital programmes, but in the interim, the Asset Management Policy, Strategy and Prioritisation criteria will be used to develop programmes of work.

Contact Officer:

Peter Agent, Asset Planning Group Manager, 01483 517540

Consulted:

Jason Russell, Assistant Director, Highways
Steve Renshaw, Prioritisation Task Group Chairman and former County Councillor
David Goodwin, Prioritisation Task Group Member
Pat Frost, Prioritisation Task Group Member
David Harmer, ETSC Chairman
E&I Highways and Transport lead officers
Clive Griffiths, Asset Manager, Hampshire County Council
Dr Gary Sterritt, Asset Investment Manager, Roads Directorate, TfL
Chris Capps, Atkins Consultants

Annexes:

ANNEX 1 – Highway Asset Management Policy
ANNEX 2 – Highway Asset Management Strategy
ANNEX 3 – Highway Asset Prioritisation Policy and Criteria
ANNEX 4 – Equality Impact Assessment for Highway Asset Prioritisation Policy and Criteria

Sources/background papers:

Well Maintained Highways – Code of Practice for Highway Maintenance Management - UKRLG
Management of Highway Structures – A Code of Practice – UKRLG
National Code of Practice for “Provision of Vehicle Restraint Systems for Local Authorities”
Code of Practice on Transport Infrastructure Assets - CIPFA
Highway Infrastructure Asset Management Guidance - HMEP/UKRLG
Surrey Transport Plan – Vision and Objectives.

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