

ASSET MANAGEMENT FOR THE HIGHWAY NETWORK

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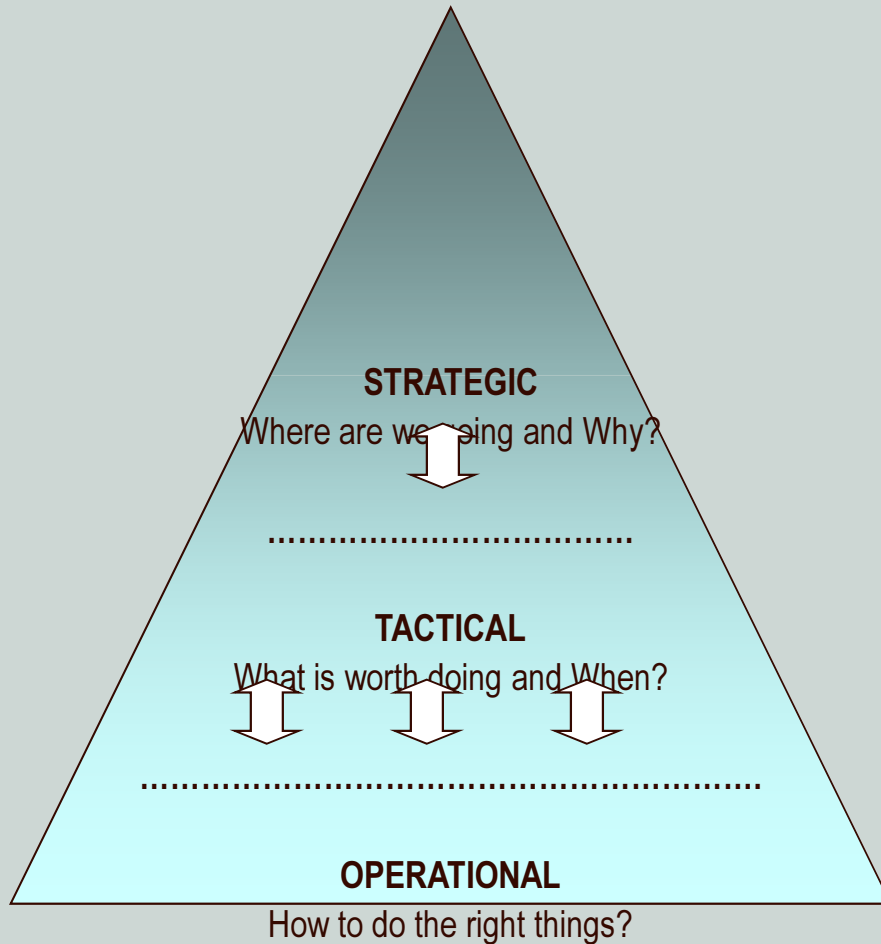
“Asset management is a strategic approach that identifies the optimal allocation of resources for the management, operation, preservation and enhancement of the highway infrastructure to meet the needs of current and future customers.”



Framework for
Highway Asset Management



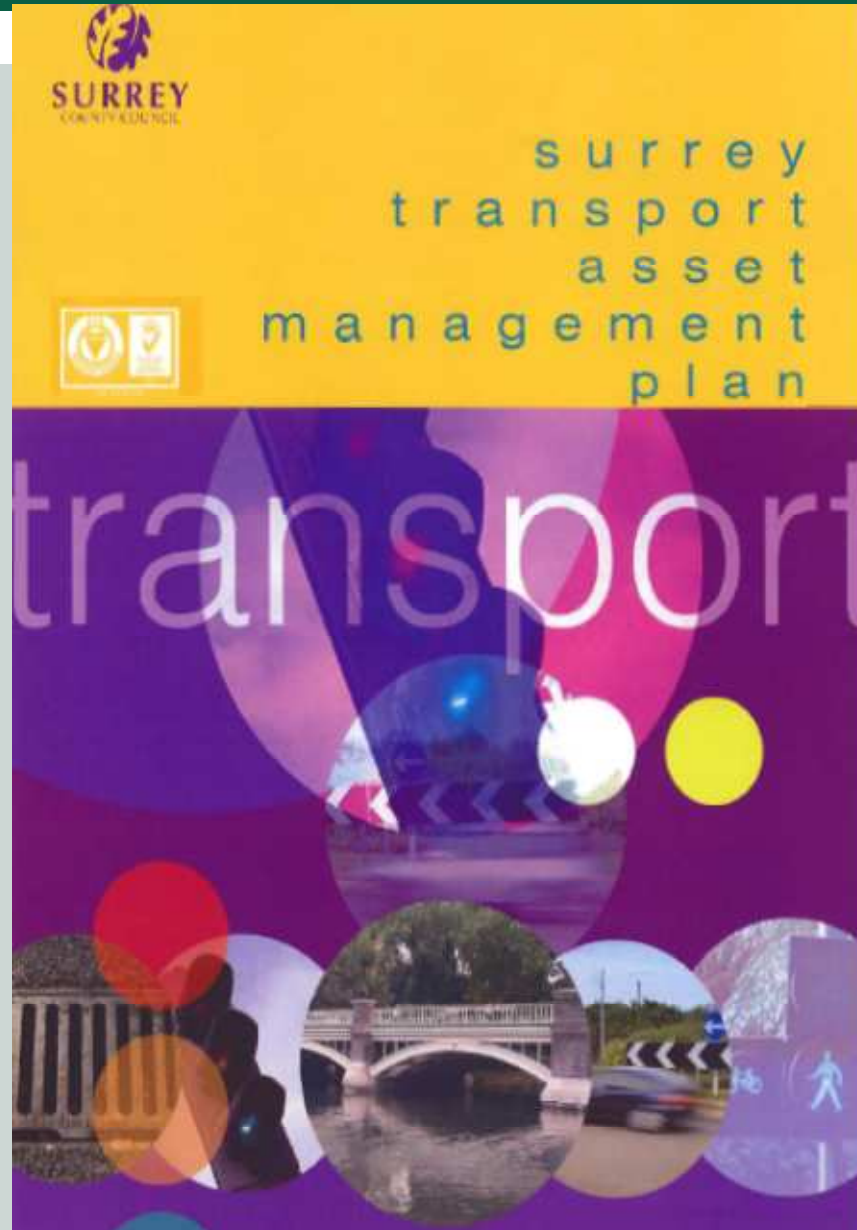
- **LTP2 Guidance**
- **Resource Accounting and Budgeting**
- **Good Management Practice**
- **Improving Service Delivery**
- **Valuable Asset**
- **DfT expects no overall deterioration in the road conditions**



Not a new concept but must be:

- **Effective**
- **Customer Focussed**
- **Deliver value for money**

- **Links activities**
- **Improves management effectiveness**
- **Delivers better value for money**
- **Provides a customer focussed service**
- **Demands longer term planning**



Central Government – LTP (Capital)

- Major Schemes
- Integrated Transport Schemes
- Maintenance
 - Bridges
 - Highways
 - Carriageways
 - Footways
 - Street Lights
 - Safety Barriers
 - Drainage

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- Prudential Borrowing
- Locally determined capital
- Local Allocation
- Revenue
- External contributions (S38/S278)

BUDGET FOR 2006/07

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Capital (LTP)	ITS	=	£ 11.976
	Structures	=	£ 4.509
	Highways	=	£ 9.450
Prudential Borrowing		=	£ 5.000
Locally Determined Capital		=	£ 2.675
Revenue Maintenance		=	£ 27.257

	TOTAL	=	£ 60.867

CAPITAL HIGHWAY MAINTENANCE ACTIVITIES AND FUNDING SOURCES

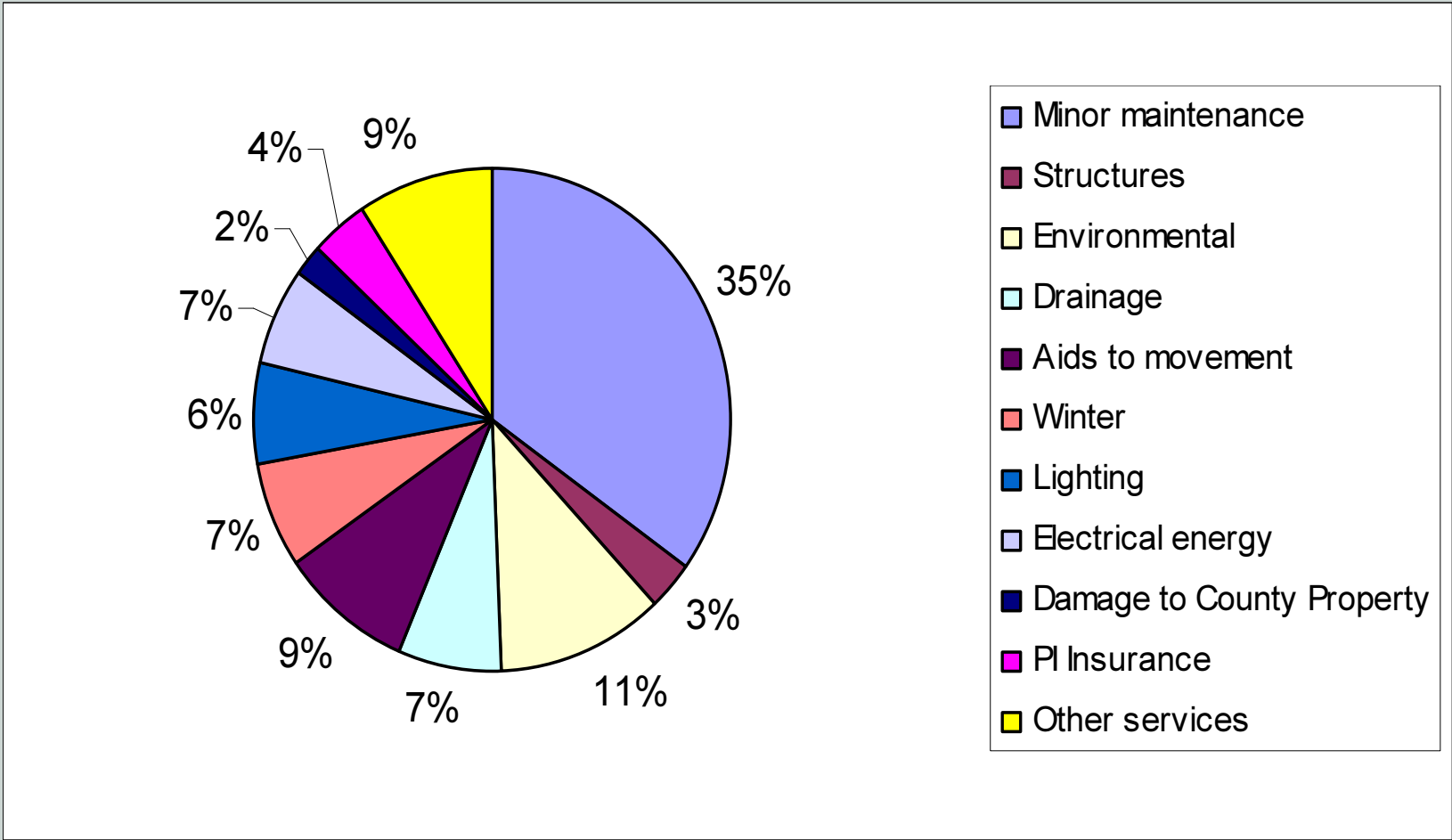
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	LTP	Prudential	Locally Determined Capital	LDC (Footways)
Major Maintenance	£7.2	£1.7		
Surface Treatment		£2.5		
Local Structural Repair			£2.5	
Street Scene		£0.8		
Footways	£1.4			£0.175
Drainage	£0.3			
Barriers	£0.2			
Traffic Systems	£0.25			
Contingency	£0.1			
TOTAL	£9.45	£5.0	£2.5	£0.175

BREAKDOWN OF REVENUE



A. Revenue – fixed by activity

Based on historic need/use or known asset need

- Winter maintenance
- Gully emptying
- HIS works (minor maintenance)
- Refurbish roadmarkings
- Streetlighting
- Electrical energy
- Trees

B. Revenue – variable for an activity

Based on level of service agreed/demanded

- Aids to movement
- Snowfall
- Community gangs
- Verge and tree maintenance
- Drainage
- Minor maintenance

Capital Maintenance - Bridges

- 5 year programme of bridge strengthening priorities based on assessments and Bridge Condition Index
- Annual programme for design and construction

Capital Maintenance – Highways

Countywide strategic decision on balance between activities such as carriageway, footways, street lighting

- Needs based assessment considering carriageway condition and with local input produces a 5 year prioritised programme
- Annual programme for design and contribution
- Footway improvement currently based on local bid however prioritisation process being considered
- Streetlighting renewal programme has slowed in anticipation of PFI

SPENDING DECISION

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- Prudential funding** - as per major maintenance
- Locally determined capital** - LSR – targeting, preventative
- Local allocation** - via Members approval

Require knowledge of:

- Asset inventory
- Asset condition
- Maintenance history
- Level of service accepted
- Policies and standards

Utilise:

- Prediction models
- Spending models
- Whole life costing
- Asset management system

HOME IMPROVEMENT

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- Touch up paintwork
- Rub down areas and paint
- Take back to bare wood and paint
- Cut out rotten timber and replace
- Total replacement

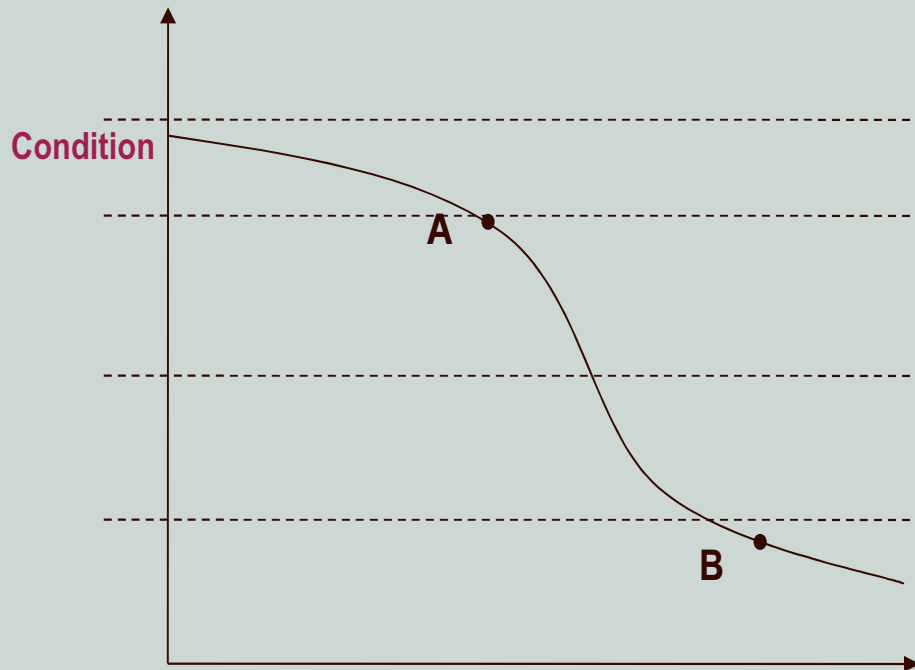
Roads can be viewed in a similar way

When to undertake maintenance?

At A = preventative (cost effective restoration)

At B = reconstruction

Balance of work between A and B must be right or rate of deterioration will result in more roads at B than can be funded



- **Increased proportion of spend targeted at earlier, preventative work**
- **Priority to funding higher category highway safety inspection defects**
- **Allocate funding based on standards (this will be linked to agreed levels of service in the future)**

ASSET MANAGEMENT SUMMARY

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- **Recognise requirement to solve local problems**
- **Recognise involvement of Local Committee**
- **Less flexibility**
- **Need to meet Asset Management principles**
- **Longer term planning and prioritisation**

CONCLUSION

Asset Management is the foundation
for an effective, value for money,
customer focussed highway service.

Thank you for listening