

Report to: Place Scrutiny Committee

Date of meeting: 18 September 2019

By: Director of Communities, Economy and Transport

Title: Highways Asset Management

Purpose: To outline the Council's Highways Asset Plan and the link to the Department for Transport (DfT) incentive funding.

RECOMMENDATION: Scrutiny Committee is recommended to note the role of the Asset Plan in Highway's Asset Management approach and how this is evidenced to meet the DfT incentive fund requirements.

1 Background Information

1.1 The County Council, as an early adopter, first introduced Asset Management principles to highway maintenance in 2011. This enabled the County Council to move away from what was largely a reactive service to programmes of planned maintenance.

1.2 Through Asset Management the County Council is able to ensure best value from its highway assets throughout their lifecycle, maximising value for money and ensuring informed investment decisions can be made, while managing risk and maintaining a safe and accessible highway network. This means making the appropriate investment at the right time through forward planning maintenance that prevents short-term expensive repairs. Using data and knowledge of our assets allows us to better understand the requirements and feeds in to our planned maintenance programmes.

1.3 The East Sussex County Council (ESCC) asset management policy is a short, concise document describing the principles adopted in applying asset management to achieve the authority's strategic objectives. The asset management strategy is a high level document which sets out how highway infrastructure asset management is delivered in East Sussex to meet our long term corporate goals and Council objectives. Both the policy and strategy were approved by Lead Member in November 2018. Work is currently underway to remove the asset plans from within the strategy in to a stand-alone document to provide clarity and avoid repetition. These updated versions will be presented to Lead Member for Transport and Environment for approval.

1.4 The Highway Asset Management Plan (which currently sits within the Asset Management strategy) sets out the agreed levels of service, performance targets and how these are met through lifecycle planning for each asset type.



1.5 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. From that funding, £578 million was set aside for an Incentive Fund scheme, to reward councils who demonstrate they are delivering value for money in carrying out cost effective improvements following their approved asset management approach.

1.6 Local authorities submit a self-assessment questionnaire consisting of 22 questions relating to asset management, resilience, customer, benchmarking and efficiency and operational service delivery to establish what percentage of incentive funding they are eligible for. Each question is scored as either band 1, 2 or 3 based on the maturity of the authority in that area. Band 3 is the highest score, with the authority being able to demonstrate that outcomes have been achieved in key areas as part of a continuous improvement process. To achieve a band 3 rating overall, 18 of the 22 questions must be scored as a band 3. Currently, East Sussex has scored band 3 on 19 of the 22 questions. The Authority's Section 151 officer signs off the self-assessment return and the DfT reserve the right to carry out sample audits of authority's responses and evidence.

2 Supporting Information

2.1 The table below sets out the amount of incentive funding an authority would receive based on the band they return. For 2019/20, ESCC returned a band 3 overall and received 100% of funding which was £1.79million. If we do not return a band 3 for 2020/21, the Council could lose 70% of its funding, worth up to £1.7million.

Year	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Band 1	100%	90%	60%	30%	10%	0%
Band 2	100%	100%	90%	70%	50%	30%
Band 3	100%	100%	100%	100%	100%	100%

Incentive Fund asset management questions

2.2 The following questions within the self-assessment relate to Asset Plans and Asset Management:

- Question 1: Does your authority have an asset management policy and strategy for highway infrastructure?
- Question 2: Has your local authority communicated its approach to highway infrastructure asset management?
- Question 5: Is your local authority undertaking lifecycle planning as part of its highways infrastructure asset management?

- Question 20: Has your local authority produced a long term forward programme of capital maintenance works for all its highway infrastructure assets?

2.3 The evidence required by the DfT to meet band 3 for these questions is set out below:

- Question 1: Evidence that the implementation of the asset management strategy and its objectives has been monitored through appropriate measures and that outcomes have been achieved. Evidence that the asset management policy is visible and accessible to all staff. Senior decision-makers and all relevant staff have been briefed on the asset management policy and strategy.
- Our evidence includes: Targets for assets are set out in the Asset Strategy and examples include RCI targets for carriageway and steady state for structures. The policy and strategy are both available online, briefings were given to members of East Sussex Highways (ESH) Service Management Board and local communities at the start of the highways contract in 2016 and the policy and strategy were recently reviewed at the Lead Member meeting in November 2018.
- Question 2: A communication strategy that is signed off by senior decision-makers and evidence that it is reviewed regularly and “lessons learnt” incorporated. Levels of service have been developed using stakeholder information.
- Our evidence includes: All relevant documentation is on the authority’s website or is accessible to the stakeholders, there is opportunity for the public to comment and these comments are considered when received. There is a Communications and Engagement Strategy agreed with the contractor who manages East Sussex Highways (ESH) communications with stakeholders and this is regularly reviewed. The ESH approach to highway infrastructure asset management is outlined in the Guide to Highways (published on the East Sussex Highways website), and the members Guide to Highways.
- Question 5: Investment plans for all major assets based on lifecycle planning principles, with demonstration that a number of different options have been considered in their development in order to provide a value for money solution.
- Our evidence includes: There are evidence based documented assumptions on the performance of major assets such as carriageways, structures and street lights. Appendix 1 describes how long term plans are developed using lifecycle planning principles and whole life cost.
- Question 20: Prioritisation process for all major assets, aligning to asset management strategy, liaison with key stakeholders, single programme of works for one to two years, indicative programme for three to five years.
- Our evidence includes: Currently we return a level 2 for question 20 as we have a one to two year programme of works for all major assets. We are still developing longer term programmes.

ESCC self-assessment returns

2.4 ESCC returned an overall band 3 for 2019/20, with a score of band 3 in 19 out of the 22 questions. The 3 questions that did not achieve band 3 were scored band 2 and actions are in place to bring these up to a band 3. These questions related to, establishing a resilient network, fully implementing recommendations of the 2012 guidance on management of highway drainage assets and producing long-term forward programmes of work for all assets (question 20 above).

2.5 A Network Hierarchy Review is underway which will provide the review of the resilient network, meeting a band 3 score for this question. A number of actions are underway to implement the drainage recommendations, and these are set out in the separate Highways Drainage Scrutiny Report of 18 September 2019. As referred to above, ESCC are developing long term maintenance programmes for all major assets.

2.6 In addition to review and sign-off by the Council's Section 151 officer, an internal audit of our evidence has been undertaken to ensure we are in a robust position and our scoring substantiated.

2.7 In future, it is likely that the DfT incentive funding may become linked to compliance with the Well Managed Highways Infrastructure Code of Practice. We have therefore ensured we are positioned favourably and have adopted most of the recommendations of the code. A report was taken to Lead Member in July 2018 advising of the code and the implication for ESCC and a further report will be presented to Lead Member on 23rd September 2019.

3 Conclusion and Reasons for Recommendations

3.1 This paper sets out to provide an understanding of the Council's asset management approach; how it is implemented via the asset management policy, strategy and plan; and what the DfT Incentive Funding requirements are.

3.2 Scrutiny Committee is recommended to note the role of the asset management approach, including the asset management policy, strategy and plans; how these determine why and how we develop long term plans to manage our assets; and how these are evidenced to meet the DfT incentive fund requirements.

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LOCAL MEMBERS

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BACKGROUND DOCUMENTS

<https://www.eastsussex.gov.uk/media/12662/highway-asset-management-policy.pdf>

[Highway Asset Management Strategy 2018–2024 \(opens new window\) \(Adobe PDF, 4151k\)](#)

[Further information about DfT Incentive Fund](#)

[Lead Member report on asset management policy and strategy](#)

[Lead Member report on the Well Managed Highways Infrastructure Code of Practice](#)