

<b>SUSTAINABLE GROWTH AND ENVIRONMENT CAPITAL SCRUTINY COMMITTEE</b>	<b>Agenda Item No. 5</b>
<b>8 SEPTEMBER 2016</b>	<b>Public Report</b>

<b>Report of the Director of Growth and Regeneration</b>		
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## **HIGHWAY ASSET MANAGEMENT POLICY AND STRATEGY**

### **1. PURPOSE**

- 1.1 This report is to update the Committee on the Council's proposed Highway Asset Management Policy and Strategy.

### **2. RECOMMENDATIONS**

- 2.1 It is recommended that the Committee note and comment on the content of the report appended prior to adoption.

### **3. LINKS TO THE CORPORATE PRIORITIES AND RELEVANT CABINET PORTFOLIO**

- 3.1 The Highway Asset Management Policy and Strategy contributes directly and indirectly to all of the corporate priorities but primarily helps to drive growth, regeneration and economic development.
- 3.2 The Highway Asset Management Policy and Strategy falls under the portfolio of the Cabinet Member for Growth, Planning, Housing and Economic Development.

### **4. BACKGROUND**

- 4.1 The highway network is vital to a prospering and growing Peterborough. Highway assets include an array of components ranging from road markings and 'cats eyes' to traffic signals, street lighting and bridges.

In December 2014, the Secretary of State for Transport announced that £6 billion of capital funding would be made available between 2015/16 and 2020/21 for local highways maintenance. Since then Government also announced, in November 2015, a further £250 million for a dedicated Pothole Action Fund. From this funding, £578 million has been set aside for an Incentive Fund scheme. This scheme seeks to reward councils who demonstrate that they are delivering value for money in carrying out cost effective improvements.

In order to determine how the funds will be allocated from 2016/17, each local highway authority in England (excluding London) is required to compile a report answering 22 questions with 3 assessment bands. These reports are then assessed by Government to determine the level of funding awarded to individual authorities who are effectively competing against each other. The funding is linked to a top slice of existing funding and as such the best scenario for Peterborough is that we are able to maintain existing levels of funding, less any additional costs.

One of the key requirements (covered by 2 of the questions) of the Incentive Fund is that the Council has a Highway Asset Management Policy and Strategy. Appendix 1 is the proposed Policy and Strategy.

The purpose of the Highway Asset Management Policy and Strategy is to provide a clear position detailing how the Council will maintain the highway network to ensure that it is adequate to support the growth of the city and specifically to meet the Council's Strategic Priorities.

Key aspects of the Highway Asset Management Policy and Strategy include:

- Acknowledgement that effective asset management is critical to the delivery of its services and the realisation of the Council's long term vision and strategy;
- Asset management principles enable informed decisions to be made about investment and maintenance funding, assist in the targeting of resources to where they can be most effective, and enables the identification and management of the risks associated with statutory duties to manage and maintain public infrastructure;
- To promote a strategic and forward thinking approach to managing the highway network to give confidence to decision makers to take current and future planned maintenance decisions.

This document is constructed around the key principles of asset management including Data Collection / Asset Inventory, Levels of Service, Lifecycle Planning, Scheme Selection, Materials, Performance Monitoring, Emergency Works, Resilience and Communication in line with the Incentive Fund Guidance.

## **5. KEY ISSUES**

- 5.1 One of the cornerstone requirements of the Incentive Fund is to have an Asset Management Policy and Strategy adopted locally. Failure to develop and adopt this document is likely to result in the Council losing up to £1,642,000 over 5 years towards the delivery of highway maintenance.

## **6. IMPLICATIONS**

### **6.1 Financial Implications**

The main implications will be from not doing this in terms of loss of funding which as stated above could be up to £1,642,000 over 5 years. There are some costs in meeting some of the other requirements of the Incentive Fund such as data collection, footway surveys, customer surveys and ICT infrastructure. These are approximately £180,000 and the funding has been allocated corporately and registered as a project. The Policy and Strategy in themselves create no additional costs.

### Legal Implications

Legal implications are contained within the report.

### Equalities Implications

The strategy complies with equalities and Human Rights duties under the relevant Acts

## **7. CONSULTATION**

- 7.1 The draft Policy and Strategy is available online and consultation is being undertaken with key stakeholders (such as Highways England, public transport operators, emergency services) and members of the public. A verbal report on the consultation responses will be provided to the Committee at the Scrutiny meeting on 8 September 2016 to note and comment.

## **8. NEXT STEPS**

- 8.1 Adoption through a Cabinet Members Decision Notice and publication of the Asset Management Policy and Strategy. The Department for Transport states that the document must

be published on the Council's website. It is only after the Policy and Strategy has been implemented for some time that the Council will be able to demonstrate, through performance measurement amongst other aspects, that it is achieving these outcomes or putting improvement plans in place in order to achieve these outcomes. Once the Council can demonstrate these measures then it is likely we will achieve the top tier of scoring for this part of the Incentive Fund as well as delivering other benefits and efficiencies.

## **9. BACKGROUND DOCUMENTS**

- 9.1 Department for transport Guidance on the Incentive Fund:  
<https://www.gov.uk/government/publications/highways-maintenance-funding-incentive-element>

## **10. APPENDICES**

- 10.1 Appendix 1 - Asset Management Policy and Strategy

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