

7 September 2016		ITEM: 10 Decision 01104379
Cabinet		
Highways Maintenance Efficiency Programme – Asset Management and Recommendations for Improvement		
Wards and communities affected: All	Key Decision: Key	
Report of: Councillor Brian Little, Cabinet Member for Transport & Highways		
Accountable Head of Service: Ann Osola, Head of Transportation & Highways		
Accountable Director: Steve Cox, Corporate Director of Environment and Place		
This report is Public		

Executive Summary

This report sets out the findings and recommendations from a review of the Thurrock Highway Asset Management Strategy in accordance with the Government's Highways Maintenance Efficiency Programme (HMEP) and asks Cabinet to adopt refreshed versions of Highways Maintenance Policies and Strategies for Thurrock. These documents take on board the latest best practice and will allow the Council to deliver a better service within existing budgets, thus supporting the Council's 'Clean It, Cut It, Fill It' campaign. The documents are part of a programme of work to bring Thurrock in line with HMEP standards and safeguard future revenue funding for highways maintenance. Together with the recently announced increased budget allocation for pothole filling, and a pioneering pilot project with DfT to explore the use of new technology to improve road maintenance, these documents will help deliver on Thurrock's commitment to improve conditions for road users. The revised documents have previously been discussed and commented upon by Panning, Transportation and Regeneration Overview and Scrutiny Committee.

1. Recommendation(s)

That Cabinet:

- 1.1 Approves the HMEP efficiency principles approach towards the highway infrastructure asset management; and**
- 1.2 Endorses the attached revised Highways Asset Management documents.**

2. Introduction and Background

- 2.1. Thurrock Council, as Highway Authority, has a duty under the 1980 Highways Act to maintain its highway network to a reasonable standard, and in the interest of public safety.
- 2.2. Over the years, like most Authorities in the country, Thurrock Council has suffered from limited funding for highway maintenance and this has resulted in a large proportion of our roads and footways deteriorating, in some places, to a standard that is below public expectation and what a Highway Authority would consider to be adequate.
- 2.3. Highways maintenance funding is provided by the Department for Transport (DfT) based on each authority receiving an allocation of the total DfT maintenance funding. This has been for some years based on the size of each Authority's highways network.
- 2.4. To ensure that funding is used in an efficient manner, DfT have revised their process for allocation to include both, size of network and compliance with current best practice.
- 2.5. The DfT in collaboration with local Highways Authorities developed the Highways Maintenance Efficiency Programme (HMEP) which sets out best practice relating to Highways Asset Management and guidance on the most effective and efficient way to manage the highway asset.
- 2.6. To measure compliance with best practice the DfT are using the HMEP programme as the benchmark. A portion of the funding allocation called the incentive funding measures use of the HMEP.
- 2.7. This incentive funding requires local Highway Authorities to assess their own performance. The Highways Authorities are then graded between 1 and 3, with 1 being the least performing in terms of process and efficiency and 3 being the best. Thurrock Council's self-assessment score in December 2015 was Level 1.
- 2.8. The Transportation and Highways Service has developed a modernisation programme which will lead the Service into at least a Level 2 status, if not a 3, by December 2016. As part of this programme a suite of documents has been developed and are included as Appendices to this report, for which Cabinet support and approval is sought.
- 2.9. From 2016/17 to 2020/21 an increasing share of the funding (incentive funding) will be allocated on the basis of compliance with the HMEP. This means that in December 2016 low performing authorities (those still at Level 1) would lose 40% of their maintenance funding for 2017/18. Authorities in the mid band will lose 10% of their incentive funding if they remained at Level 2. Authorities in the highest band (Level 3) will receive 100% of the incentive funding. This means that if Thurrock remains on level 1 by December 2016

we would lose 40% of funding which equates to approximately £800,000. If Thurrock remained at Level 1 until 2020/21 we would lose 100% of the funding in 2020/21 which equates to approximately £1.9m. Clearly it is in Thurrock's interests to work towards achieving the highest banding possible.

- 2.10. Well maintained highways play an important role in Thurrock by way of supporting sustainability and the economic growth of the borough. Corporate priorities are also supported in that well maintained roads generally improve the aesthetics of a street which help build pride, responsibility and respect amongst the community. Promotion of improved health and well-being is also assisted when the highway infrastructure provides links and facilities to encourage active modes of travel.

3. Issues, Options and Analysis of Options

- 3.1. The efficiency principles of HMEP support the Council's corporate aim of "becoming a confident, well managed and influential council regarded by residents, peers and partners as ambitious for the people of Thurrock and totally focused on meeting their current and future aspirations" and set out the way forward for the Transportation and Highways service and asset management.
- 3.2. The adoption of the methodology set out in the appendices ensures that the service is modern and continuously improving. It would also ensure that the funding available is used in the most effective and efficient manner. It also equips the service to be in the best position to seek additional funding as and when opportunities arise.
- 3.3. The DfT has agreed to fund a pilot study on new methods of carrying out road surface condition assessments to further assist Council's in working more efficiently. Thurrock has been selected as one of the boroughs to receive the trial which is being undertaken during August / September 2016.
- 3.4. The Corporate Director of Environment and Place and the Head of Transportation and Highways have identified the necessary measures the service needs to implement in order to meet the HMEP requirements that will result in Thurrock becoming at least a level 2 authority by December 2016. The measures include refreshing and development of the strategies and policies identified by HMEP and the DfT as fundamental to running an effective and efficient highway network.
- 3.5. The DfT recognises the deficit within Highway Authorities and recently awarded Council's additional funding for pothole/carriageway repairs. Thurrock Council was awarded £110,000 and a programme of carriageway remedial works has been developed which commenced in June. In order to support the drive for efficiencies to be made, innovative repair techniques are being trialled which not only brings efficiencies in the working practices, but also supports the 'Clean it, Cut it, Fill it' campaign as the new repair methods

should result in more defects being addressed than would otherwise be afforded.

- 3.6. The appendices included in this report address much of the highway asset management best practice. In addition, the Highways Asset Management Policy, Strategy and Communication Strategy (Appendices 1-3) form part of necessary documentation required to manage assets of any Highways Authority whereas appendices 4 and 5 are a specific requirement of the HMEP programme. Appendix 6 reflects an interim review of the current Policy which will receive a full overview in 2017 when the new Code of Practice is released by the DfT.

Highways Asset Management Strategy

- 3.7. The Council as Highway Authority is committed to the good management of the highway asset presently and for generations to come, and recognises that effective asset management is essential to deliver clarity around standards and levels of service, and to make best use of available resources.
- 3.8. The Highways Asset Management Strategy reflects the guidance laid down in the suite of national Codes, in particular the Code of Practice 'Well-maintained Highways' and the guidance issued by the Highway Maintenance Efficiency Programme (HMEP) on the use of asset management principles.
- 3.9. The purpose of this document is to: i) formalise whole lifecycle strategies for investment in key highway asset groups; ii) define affordable service standards; iii) improve the management of the highway asset; and iv) enable more effective and efficient Value for Money (VfM) highways services to be delivered.
- 3.10. The Asset Management Strategy underpins the Highway Asset Management Policy and is one of the key strategic documents related to the delivery of the Council's highway services.

Highways Asset Management Policy

- 3.11. As a Highway Authority, we have a duty to act as stewards and custodians of the highway infrastructure assets. We must ensure they are fit for purpose and maintained with consideration to whole life costs, whilst taking associated risks into account and aligned to our corporate objectives. The Highways Asset Management Policy has been created to give guidance and direction to this process.

Highways Asset Management Communication Strategy

- 3.12. Thurrock Council is committed to ensuring effective communication takes place throughout its service areas. Effective communication safeguards and improves the reputation of the service and ensures that Councillors and Officers present themselves well to customers and key stakeholders.

- 3.13. By engaging in communication with our customers and stakeholders, we will ensure that the thoughts, ideas, and concerns they generate are given due diligence and thus ensure public participation in the decisions making process.
- 3.14. The Highway Asset Management Communications Strategy includes the stakeholders' analysis which identifies Thurrock Council's stakeholders and specifies the means and frequency of engagement.

Drainage Asset Management Review

- 3.15. The Highways Maintenance Efficiency Programme (HMEP) has issued the Highways Drainage Assets Guidance, which showcases current good practice, tools and techniques to manage and maintain drainage assets to prevent localised flooding which aims to help local highway authorities to plan the most cost effective approach to managing and maintaining their drainage assets.
- 3.16. The purpose of the Drainage Asset Management Review is to outline Thurrock Council's current position in relation to the report and its recommendations and assess any future improvements required in order for Thurrock Council to comply in full.

Pothole Management Review

- 3.17. The 2012 HMEP Potholes Review: Prevention and a Better Cure has considered how local highway authorities deal with potholes. It makes 17 recommendations that will, if implemented, provide an improvement in highway maintenance and reduce the number of potholes occurring.
- 3.18. The purpose of the Pothole Management Review is to outline Thurrock Council's current position in relation to the report and its recommendations and assess any future improvements required in order for Thurrock Council to comply in full

Maintenance Policy

- 3.19. The highways maintenance Code of Practice is due to be updated in 2017 and as a result, the 2012 Highways Maintenance Policy will be fully refreshed to take into account the changes that the new Code brings. It is expected to bring changes relating to the way highway defects are addressed and prioritised, with the focus of prioritisation moving to a risk based approach as opposed to defined defect levels that may not be appropriate for all Council's to deploy. Appendix 6 of this report provides an interim revision, with the main changes being an additional response time to reactive maintenance to assist with works programming.

4. Reasons for Recommendation

- 4.1. The principles of HMEP support the Council's corporate policies and lead Thurrock into becoming a modern, efficient, evolving service in terms of performance and efficiency and also accords with the 'Clean it, Cut it, Fill it' campaign.
- 4.2. The approval of the HMEP efficiency principles approach towards the highways infrastructure asset management and endorsement of the revised documentation would demonstrate the executive support and leadership necessary to achieve planned transportation and Highways improvements.

5. Consultation (including Overview and Scrutiny, if applicable)

The proposed revised policies was discussed in Planning, Transportation and Regeneration Overview and Scrutiny Committee at its meeting of 18th July 2016.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1. This report is consistent with corporate priorities especially "protecting and promoting our clean and green environment".

7. Implications

7.1. Financial

Implications verified by: **Laura Last**
Senior Finance Officer – Management Accounts

From 2016/17 to 2020/21 an increasing share of the funding (incentive funding) will be allocated on the basis of compliance with the HMEP. This means that in December 2016 low performing authorities (those at Level 1) would lose 40% of their maintenance funding for 2017/18. Authorities in the mid band will lose 10% of their incentive funding if they remained at Level 2. Authorities in the highest band (Level 3) will receive 100% of the incentive funding. This means that if Thurrock remains on level 1 by December 2016 we would lose 40% of funding which equates to approximately £800,000. If Thurrock remained at Level 1 until 2020/21 we would lose 100% of the funding in 2020/21 which equates to approximately £1.9m. Clearly it is in Thurrock's interests to work towards achieving the highest banding possible.

The updated strategies and policies will support our efficient operations in line with the Highways Maintenance Efficiency Programme (HMEP) which would allow us to deliver the savings already planned for in the budget.

The changes to the strategies and policies do not propose any additions to current operating costs.

7.2. Legal

Implications verified by: **Dr. Paul Field**
**Senior Governance Solicitor and Deputy
Monitoring Officer**

Decisions about highways maintenance have the potential to carry significant legal implications to the Council if not considered and applied appropriately. The Council is a Highway Authority under the Highways Act 1980. Section 41 of the Highways Act places a duty on the Council to maintain the highways for which it has a responsibility. In addition, common law expects the Council to ensure that the highway is maintained to a reasonable and safe condition. There is a risk that over time the condition of parts of the highway may present a danger. To minimise this risk highway inspections need to be undertaken at the frequency set out in the Highways Maintenance Policy. Section 58 of the Highways Act 1980 provides a statutory defence to claims of failure to maintain if a Highway Authority can show it has taken such care as is reasonable so as to keep the highway in a safe condition. In determining whether the Council has taken reasonable care the courts will consider the character of the highway, the traffic which uses it, the standard of maintenance appropriate for that highway, the state of repair in which a reasonable person would have expected to find the highway and whether the highway authority knew, or could reasonably have been expected to know, that the condition of the highway was likely to cause danger. If it is not possible to fully repair a defect on the highway in a timely manner and in line with Policy, the defect should be temporarily made safe.

It is important that Highway Authorities have a Highway Asset Management Strategy and Policy that sets out the way in which the Council will maintain its highway asset in a way that protects the community and reduces the risk of legal challenge and subsequent liability. As resources are limited it is of vital importance that inspections and the prioritisation of defects and maintenance is informed by the Highways Maintenance Policy. The approval of use of such tools is the key purposes of the recommendations in this report as without systematic managing of the condition of the highway network and its assets there could be an increase in insurance claims that could not be defended.

7.3. Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

There are no diversity and equality implications arising from this report

7.4. **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Highways Act 1980
- Traffic Management Act 2004
- Details of the HMEP programme are accessed on the website www.highwaysefficiency.org.uk

9. **These documents can be found in the library section of the Modgov system on the Council's website at:**
thurrock.gov.uk/committees-meetings-minutes

- Appendix 1: Highways Asset Management Strategy
- Appendix 2: Highways Asset Management Policy
- Appendix 3: Highways Asset Management Communication Strategy
- Appendix 4: Drainage Asset Management Review
- Appendix 5: Pothole Management Review
- Appendix 6: Highway Maintenance and Network Management Policy Guidance and Standards

Report Author:

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