

Highways Asset Management – Policy & Strategy Review

Date: 13th June 2022

Report of: Highways Asset Manager

Report to: Chief Officer (Highways & Transportation)

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

What is this report about?

Including how it contributes to the city's and council's ambitions

- Each year Highways & Transportation are required to renew and maintain a significant number of assets, including roads, footways, bridges, streetlights, gullies etc. The challenge that we face is how do we decide which assets to maintain whilst recognising the influence of competing priorities and limited funding.
- Having an up-to-date Highway Infrastructure Asset Management (“HIAM”) policy and strategy is essential to ensure the highway service is aligned to support the corporate priorities and aligns with national sector guidance.
- The policy and strategy demonstrate the Council's commitment to adopting the principles of HIAM by senior decision-makers within the Council, at both officer and member level, and provides a positive link to both the local and regional strategies and plans under which the highway assets are managed and maintained.
- The original HIAM strategy document expired at the end of 2021. Previously, the Council did not have a separate HIAM policy.
- The new policy has been prepared in accordance with the **Leeds City Council: Best Council Plan 2020-2025**, supporting the ‘Best City’ priorities to deliver the ambition of establishing a **Strong Economy and a Compassionate City** through the ‘Best Council’ culture of an **Efficient, Enterprising and Healthy Organisation** alongside the **Climate Emergency** declaration.
- This report presents the outcome from a review of the Council's HIAM documents to ensure that the new policy and revised strategy also align with the **Leeds City Council: Best Council Plan 2020-2025**, supporting the ‘Best City’ priorities to deliver the ambition of establishing a **Strong Economy and a Compassionate City** through the ‘Best Council’ culture of an **Efficient, Enterprising and Healthy Organisation** alongside the **Climate Emergency** declaration.

Recommendations

The Chief Officer (Highways and Transportation) is requested to:

- a) Approve the new HIAM Policy and revised HIAM Strategy to cover the HIAM capital investment period 2022-23 to 2026-27.
- b) Implement the revised HIAM Strategy as part of the preparation for the capital programme for Highway Infrastructure Maintenance (Highways).

Why is the proposal being put forward?

- 1 Highway Infrastructure Asset Management and the associated policy and strategy are essential to ensure the highway service is aligned to support the latest authority corporate priorities alongside a requirement to meet national guidance, in particular the 'Well Managed Highways' Code of Practice 2018.
- 2 The current HIAM strategy document expired at the end of 2021. The Council do not have a separate HIAM policy.
- 3 In preparation for the expiry of the 2016 – 2021 documents and with support from the Council's professional services consultant, a full review, inc. gap analysis, commenced prior to the expiry of the previous documents in August 2021. This review of the soon to expire HIAM documents and processes has been undertaken by a team with the relevant experience from their respective background working within similar-sized Local Highway Authorities and sector-led experience nationally in Highway Asset Management.
- 4 The outcome of the review into the policy and strategy documents as currently approved and published indicated that the HIAM position with the management of the Council's highway assets has significantly changed in terms of the context in which these assets are now managed.
- 5 Whilst the requirements contained within the 'Well Managed Highways' Code of Practice 2018 have remained unchanged, with the emphasis continuing to be placed on a 'Risk Based' approach and the application of Lifecycle Planning techniques, it has been necessary to address and align with three key areas and it is these that the new strategy will focus on in response to the change in context. These are as follows:

Regional Context

Since the drafting and subsequent internal reviews of the HIAM strategy the regional climate in terms of the political map and the position of the Council within both the West Yorkshire Combined Authority (2014) and the more recent devolution deal for West Yorkshire (2020) and the subsequent Mayoral Combined Authority (2021) has significantly changed. With the integration of the West Yorkshire Transport Strategy (2040) highway maintenance and asset management commitments into the Intra-City Transport Fund (ICTF) settlements, there is a need for the new HIAM strategy to provide clear HIAM strategy commitments to deliver these longer-term transport strategy objectives.

Sustainability and Climate Emergency

Aligned with the **Leeds City Council: Best Council Plan 2020-2025** and the Inclusive Growth and Health and Well-Being Strategies, the Council are moving towards transforming travel that can deliver a strong economy within a compassionate city whilst

addressing the Climate Emergency ambition. The **Connecting Leeds Travel Strategy** seeks to achieve these strategic visions through six key transport areas to provide connections between the city, communities and business are made in the most sustainable way and that everyone has an affordable zero carbon choice to travel.

The revised HIAM strategy will align with these commitments and will provide the platform for decision making on priority assets in terms of the investment-needs and the programme plans to meet these strategic objectives.

Communication and Engagement

Effective communication, both with the local communities and key stakeholders, is critical to ensure that HIAM strategies align with these needs and subsequent markers are set for both the setting of service levels and the subsequent monitoring of highway asset performance. The revised strategy will provide a contextual position on how both communication and engagement take place, how the various community and stakeholder needs are identified and importantly, how through the delivery of the HIAM strategy these are managed.

- 6 Under the context of the new Mayoral Combined Authority (WYCA) the funding to the entire West Yorkshire region for highway maintenance, among all other areas, has significantly changed. From the financial year 2022/23 the City Region Sustainable Transport Fund (CRSTS) settlement now provides a 5-year funding allocation against the previous indicative periods of the previous DfT spending period that provided only a maximum 3-year look ahead.
- 7 Under the previous DfT Highway Maintenance block period (2015/16 to 2020/21) the Incentive Fund for highway maintenance allocation was based on a self-assessment process and attainment of a maturity being reached in asset management within graded bands.
- 8 The DfT has announced their intention to continue the drive for improvements and demonstrating value for money as part of the allocation of £2.7 billion in local highways maintenance funding between 2022/23 and 2024/25 to local authorities outside of London and the 8 largest city regions. This includes the remainder of the Potholes Fund announced at Budget 2020 to help resurface the highway (including, but not limited to, the fixing of potholes).
- 9 The DfT also announced (February 2022) that the highways maintenance incentive element questionnaire was to continue for the 2022/23 funded year for relevant highway authorities. Under the terms of the CRSTS the Council's Highway Maintenance Block (HMB) needs element, HMB incentive element and the Potholes Fund are included in the overall transport settlement and not identified in any of the funding streams separately.
- 10 Officers have written to the DfT to clarify the Councils future requirements to provide any responses to or to compile the evidence for the incentive fund self-assessment questions because of the change to the CRSTS settlement.
- 11 As the DfT has indicated that they are reviewing the basis of the incentive element, and with that strongly advocating a risk-based, whole lifecycle asset management approach to local authority's highway maintenance programmes, it is considered that this will also be fundamental to any evidence of the application of these asset management principles for those local authorities where highway maintenance funding is included within a broader CRSTS regional settlement. As the preparation, review, and approval at Executive Member

of an appropriate HIAM Policy & Strategy remains a mandatory requirement for those local authorities under the annual DfT Self-Assessment Questionnaire (SAQ) to receive the maximum level of DfT funding, the approval of these documents provides the evidence for any future requirement.

What impact will this proposal have?

Wards Affected:

Have ward members been consulted? Yes No

- 12 Approval will provide authority to present the proposal at the Executive Member and pending subsequent approval, publication through the Council's internal and external channels to demonstrate the endorsement of the HIAM Policy & Strategy by the Council's senior decision makers as a requirement of the UKRLG HIAM Guidance.

What consultation and engagement has taken place?

- 13 The Executive Member for Infrastructure & Climate has been engaged during the development of the HIAM Policy & Strategy documents.
- 14 The Highways Asset Manager has provided a briefing to the Labour Working Group on the 25th January covering the HIAM Policy & Strategy Review.

What are the resource implications?

- 15 The proposal provides a programming framework for the key decision-making within both the individual highway asset groups and under the principals of cross-asset prioritisation to manage the Council's budgets for planned local highway maintenance over the 5-year CRSTS settlement period.

What are the legal implications?

- 16 The proposal provides the decision-making framework to promote a risk-based approach to all aspects of asset management including setting levels of service to provide a safe highway network for all who use it.
- 17 The documents are non-statutory in nature but will provide a transparent process and framework for consideration of highway asset management.
- 18 The decision is not subject to call in.

What are the key risks and how are they being managed?

- 19 The key risk covers the decision by either Highways Board and/or the Executive Board to not endorse the updated HIAM Policy & Strategy and implications on strategic asset management that does not align with the corporate policies, local and regional transport strategies, and national guidance for highway asset management.

Does this proposal support the council's 3 Key Pillars?

Inclusive Growth Health and Wellbeing Climate Emergency

- 20 The HIAM Policy & Strategy have been prepared in accordance with the **Leeds City Council: Best Council Plan 2020-2025**, supporting the 'Best City' priorities to deliver the ambition of establishing a **Strong Economy and a Compassionate City** through the 'Best Council' culture of an **Efficient, Enterprising and Healthy Organisation** alongside the **Climate Emergency** declaration.
- 21 Aligning and supporting the following 'Best City' priorities, the policy will form an integral part of the delivery of the highway service that the Council provides by embedding the principals of Highway Asset Management into the management and maintenance of the Council's highways assets.

Options, timescales and measuring success

a) What other options were considered?

- 22 Without the review and subsequent development of a new HIAM Policy and updated Strategy the Council would be unable to demonstrate the endorsement of the corporate documents that demonstrates by the Council's senior decision makers as a requirement of the UKRLG HIAM Guidance.

b) How will success be measured?

- 23 Delivery of subsequent annual highway maintenance works programmes that demonstrate the principals of highway infrastructure asset management and contribute to the Highways & Transportation contribution and commitment to the corporate climate challenge.

c) What is the timetable for implementation?

- 24 Approval through the Executive Board and implementation of the HIAM Policy & Strategy during the 2022/23 financial year for maintenance investment decisions and works programme delivery.

Appendices

- 25 Appendix A – HIAM Policy (2022-2027)
26 Appendix B – HIAM Strategy (2022-2027)

Background papers

- 27 None.