

## **REGENERATION, CULTURE AND ENVIRONMENT OVERVIEW AND SCRUTINY COMMITTEE**

**17 JANUARY 2023**

### **HIGHWAY ASSET MANAGEMENT POLICY AND STRATEGY**

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#### **Summary**

This report presents a new Highway Asset Management Policy and supporting Strategy. This will provide the Department for Transport (DfT) the necessary evidence of the Council's commitment to asset management, in order to receive Incentive Funding. The Committee is asked to comment on the Policy and Strategy ahead of it being considered by Cabinet.

#### **1. Budget and Policy**

- 1.1 There is a DfT requirement to adopt a Policy and Strategy in how we manage and maintain our network assets. This report presents our Highway Asset Management Policy and Strategy, which aligns to Council strategic goals and visions, as well as other Council policies and plans, including the Local Transport Plan (2011-2026).
- 1.2 The Policy details how we deliver our commitments and provides a strategic framework for how we maintain our assets to align with operational delivery throughout the business. The Strategy defines these activities and processes necessary to develop, document, implement and continually improve asset management over the short, medium, and long term.

#### **2. Background**

- 2.1 Medway's highways network is the most visible, used and valuable physical asset for which the Council is responsible, with a gross replacement value of £2 billion. It is an essential communication link that serves everyone every day, connecting communities and businesses and encouraging economic growth by being accessible for all modes of transport.

- 2.2 In order to receive Incentive Funding, the Department for Transport (DfT) require evidence that Local Highway Authorities have made a commitment to asset management and adopted a Highway Asset Management Policy and supporting Strategy.
- 2.3 The two current documents that define how Highways plan, develop, and continually improve the performance of their assets to deliver value for money and help drive improved service delivery to achieve efficiency gains are known as the Highway Asset Management Plan (HAMP) and Transport Asset Management Policy (TAMP); of which the Highway Asset Management Policy and supporting Strategy will supersede.

### 3. Advice and analysis

- 3.1 Asset management is a strategic approach to optimize the value of assets over their whole lifecycle. This approach allows investment decisions to be led by desired outcomes; managing risk and saving money with well-timed maintenance to maximize value for money.
- 3.2 The HAMP and TAMP were fit for purpose at the time of their adoption in 2015, but with the industry constantly evolving, the new Highway Asset Management Policy and Strategy will embed our commitment to using good asset management practice to manage and maintain our assets based on the fundamental principles of lifecycle planning.
- 3.3 Our long-term approach to investment considers safety, serviceability, sustainability, and affordability to deliver the best value for money, both effectively and efficiently to ensure the highway network remains fit for purpose both now and in the future.

### 4. Risks

- 4.1 In order to maximise full funding potential, the DfT score authorities over 3 bands, with Band 3 attracting 100% Incentive Funding. To not support the adoption of the new Highway Asset Management Policy and Strategy, will risk Medway Council not securing a Band 3 Self-Assessment score, resulting in reduced capital funding through the Incentive Fund.

### 5. Consultation

- 5.1 Stakeholder consultation is not required to produce the Highway Asset Management Policy and Strategy as they align to current service provision and funding.
- 5.2 The Portfolio Holder of Frontline Services has been issued with both documents.

## 6. Financial implications

- 6.1 There are no direct financial implications, on existing budgets, for the adoption of the Highway Asset Management Policy and supporting Strategy which align with current budget provision.
- 6.2 The creation of a Highway Asset Management Strategy is necessary to support Medway Council maintaining a Band 3 Self-Assessment score, which will result in 100% of the available Incentive Fund Award being achieved, in future years, for the length of the award.

## 7. Legal implications

- 7.1 There are no identified legal obligations in respect of producing a Highway Asset Management Policy or Strategy.

## 8. Recommendation

- 8.1 It is recommended that the Committee supports the adoption of the new Highway Asset Management Strategy and Policy to help maintain a Band 3 Self-Assessment Score which will continue to maximise the 100% level of capital funding that is currently secured through the DfT Incentive Fund.

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## Appendices

Appendix 1 – Highway Asset Management Policy  
Appendix 2 – Highway Asset Management Strategy

## Background Papers

None