

Select Committee on the Environment - 17th September 2008

Report Of The Director Of The Urban Environment

Transport Asset Management Plan (TAMP) - 2008-2011

Purpose of Report

1. To provide the committee with an overview of the “Transport Asset Management Plan” (TAMP), highlighting Government initiatives behind asset management planning and showing how the Council will use this approach to deliver and improve it’s Transport and Highways Service.

Background

Government Initiative

2. In November 2005 the Government published the document “Maintaining a Vital Asset”, it related to highways assets and set out the principles behind good management of the highway. The document described how the highway network is the most valuable asset that any Local Authority owns, and went on to highlight how highways are used daily by the majority of people and are fundamental to the economic, social and environmental well-being of the community.
3. The purpose of the publication was to strongly recommend that all highway authorities adopt an asset management approach to the management, operation, preservation and enhancement of their highway infrastructure. It also identified the need for a “Transport Asset Management Plan” (TAMP) to provide a framework for the management of the highway and to hold documentary evidence that this approach is being taken. It states the case for sustained long term investment in the maintenance of the highway, which is planned, efficiently managed and supported by effective technical and management systems.
4. An asset management approach has the potential to deliver; value for money; improvements in services; better informed decisions about spending priorities; long term planning; support to “whole of Government accounts”, improved customer focus and many other benefits.

An Asset Management Approach

5. The basic principles of asset management are to have good documented knowledge across all of the highways assets including:
 - The Council's goals and objectives
 - Inventory & condition data
 - Current levels of service
 - Budgets and finance
 - Risk & performance management
6. This information is then used to establish; what we want to achieve with the highway network; where there are service gaps that need improvement; our investment needs and priorities based on the whole life cost and co-ordinated programmes of work. This is then followed up with a review of processes and policies to ensure that the service provided is meeting the needs of the customer and delivering the Council's strategy.
7. The key to success is the embedding of asset management principles and processes into the day to day asset maintenance and improvement activities, combining sound engineering with good business practice and economic rationale. Thus providing the tools to facilitate a more organised and flexible approach to making the decisions necessary, to meet the public's expectations.

The Transport Asset Management Plan (TAMP)

8. The following is a summarised breakdown of the TAMP showing the structure, key areas and how it will be used to manage and shape the service in the future:-

Strategy - The plan contains a summarised version of the current strategy for transport and highways, which highlights objectives from central Government; the Black Country Sub-Region; the West Midlands and Dudley Community & Borough Council. It highlights National codes of practice for the effective management of highway assets and the relevant Government Acts, which must also be embraced in service delivery. A series of policies and measures are then derived from these strategies to enable them to be incorporated into service planning and provision.

Scope - All Highway asset groups and the associated asset features managed through the TAMP are documented in this section and a summary follows: Carriageways and Footways; Public Rights of Way; Street Lighting and Signing; Highway Drainage; Street Furniture; Horticulture and Arboriculture; Highway Structures; Street Cleansing and Winter Service.

Business Processes - Key processes for noticing and sharing information with regard to any maintenance and improvements works taking place on the highway are defined, along with public consultation and satisfaction protocol. Both of which, are designed to drive improvements in future management and service delivery.

Life Cycle Planning - Details of the policies and measures to be implemented to deliver on the various strategies set out earlier in the plan, are set against the headings of the six Council priorities. It goes on to show the various steps

involved in developing a life cycle plan for each asset, with the actual plans featuring in the Appendices to the main document.

Service Planning - Levels of service are detailed in the appendices and summarised in this section along with proposed revisions to the current service levels to address any performance gaps that have been highlighted as part of the asset management process. These proposals feature later in the Improvements action plan, where they have been assessed in terms of risk management, priority and cost implications.

Financial - This section commences with a summary of the June 2008 report by the Chartered Institute of Public Finance and Accountancy (CIPFA) on "Review of Accounting, Management and Finance Mechanisms for Transport Infrastructure Assets". This report highlights the difficulties in managing highways assets and re-iterates the importance of adopting an asset management based approach. It goes on to detail how changes to Government accounting, through Whole of Government Accounts will enforce this approach and confirms the need for a depreciation based approach to asset valuation consistent with the International Financial Reporting Standards (IFRS).

It provides a resume of how the valuation of each asset will be calculated and the depth of information needed on each asset to be able to complete the calculations. There will be an interim process for valuation for years 2008/09 and 2009/10, with the financial year 2010/11 being the first year for the full adoption of the new asset management based accounting policies.

Risk Management - Improvements made to date in terms of the adoption of a new inspection regime and improved claims payout figures are shown, followed by a review of current risk management issues and how further improvements can be incorporated into the asset management process. Primarily this can be achieved by the use of analysis of risk management data, feedback to operational managers and the development and improvement of operational and long term maintenance policies.

Performance Management - Reviews current performance management practices and explores areas for improvement, particularly recognising current good practice and making proposals for widening the scope of such good practice.

Improvements Action Plan - The improvements action plan is an important part of the process as it consists of a "shopping list" of areas for improvement in service delivery based on the assessment work carried out to date in the asset management process. It ranges from improvements at the low cost end of the scale such as risk management feedback to improve service, through to long term high cost improvements such as street lighting column replacement programmes.

Each action has been assessed in terms of impact on proving the service and then prioritised with regard to importance against achieving improvements in; asset and risk management; service to the public; codes of practice, delivering strategy and improving CPA scores.

The actual improvements action plan to be implemented will be subject to the standing Council procedures relevant to the level of proposals involved. Progress against the plan will be reported in future update reports of the TAMP as it is a living document and will be subject to year on year reviews.

Life Cycle Planning Appendices - The appendices for each asset group define the following:

- Component parts and associated policies
- Inventory and condition data held
- Inspection and maintenance regimes
- Budgets and backlogs
- Asset Valuation
- Performance Management
- Gaps and areas for improvement

Following the first tranche of improvements being embedded into the asset management process there will be a review of the life cycle plans, for example public feedback, which when received will help to shape future service delivery.

Where are we now?

9. The Department for Urban Environment currently manage the transport and highways service and there is much evidence of good practice already being exercised, utilising the basis of an asset management approach. Current practice and resulting evidence has now been documented in the Dudley Transport Asset Management Plan 2008 – 2011.
10. In developing the plan further and by embedding asset management principles into the operational areas there are potential service improvements that have been highlighted and are also contained within the plan.
11. Further work is in progress on; prioritising the improvement actions; assessing any affordability & long term programming issues and developing an integrated approach with the many stakeholders involved in asset management.

Where we want to be:

12. We want to build on the work done to date and further embrace an asset management approach to transport and highways service delivery, which will include managing growth and resources to match the aspirations of the Council and the public.
13. We want to develop a customer focussed service, with an integrated approach, which promotes transparency and accountability, provides justification for funding requirements, combines engineering good practice with sound business, develops long term programming and performance management which, will place Dudley MBC in the forefront of transport and highways service delivery.

What our priorities are:

14. Our strategic priorities for transport asset management are to:

- Invest in the highways, structures and street lighting infrastructure.
- Improve Dudley's transport and road systems to increase its attractiveness as a centre of commerce and tourism and to improve the quality of life for the local community.
- Provide a quality customer focussed service.

The Transport Asset Management Plan will give us the opportunity to achieve this by providing the Council with a transparent, whole life, cost based and well-informed decision making plan that will demonstrate how strategic aims are turned into service delivery on the ground.

Finance

14. Areas of growth have already been identified in 2008/09 budgets to drive forward an asset management approach. Further bids through the West Midlands LTP and the Department for Transport are planned for data collection, data analysis and innovative use of asset management data in achieving benefits.
15. Further development of the TAMP will help identify future funding priorities and this information will be utilised as part of the budget setting process.

Law

16. An asset management approach embraces all Acts of Parliament under which the Council carries out its functions to provide, improve and maintain the highways of Dudley.

Equal Opportunities

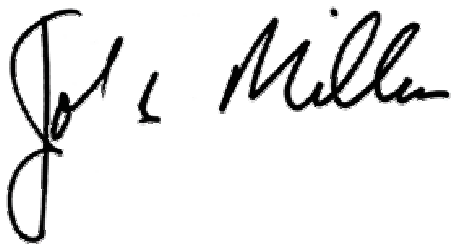
17. This report takes into account and acknowledges the Council's policy in respect of Equality and Diversity in the delivery of the service and the ongoing maintenance of the Councils Highway network.
18. The Transport Asset Management Plan includes specific provision to benefit pedestrians and other vulnerable users of the highway; assist social inclusion and mobility of the less able, together with measures to improve access for persons in the borough.
19. It also seeks feedback from vulnerable users as to the Councils performance in terms of addressing / reducing inequalities and seeks areas for improvement.

Recommendations

20. It is recommended that:-

- The committee recommend to the Cabinet Member that Dudley Council adopt the principles of an asset management approach to transport and highways service provision.

- The committee note the work carried out to date.



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