

Report to the Cabinet

Meeting to be held on Thursday, 16 January 2020

Report of the Head of Service - Asset Management

Part I

Electoral Division affected:
(All Divisions);

Transport Asset Management Plan Review

(Appendix 'A' refers)

Contact for further information:

Paul Binks, Tel: (01772) 532210, Highway Asset Manager,
paul.binks@lancashire.gov.uk

Executive Summary

The Transport Asset Management Plan was approved by the Cabinet Member for Highways and Transport in June 2014 and identified the key strategic priorities of the county council, as the highway authority for Lancashire, during the 15 year period 2015/16 to 2029/30.

The draft 2019/20 Transport Asset Management Plan Refresh provides updated condition data as at March 2019. Phase 1 of the Transport Asset Management Plan runs until March 2020. This review is therefore the penultimate refresh for this phase and provides indicative information as to likely outturn performance at the end of 2019/20.

Phase 2 of the Transport Asset Management Plan starts in April 2020 and runs until March 2025. It is proposed to review the original Transport Asset Management Plan assumptions using the latest asset condition data and lifecycle modelling to produce a Transport Asset Management Plan Phase 2 Review document which will set out the proposals for the period 2020/21 to 2024/25.

Recommendation

Cabinet is asked to:

- (i) Note the update on progress outlined in the Transport Asset Management Plan 2019 Data Refresh as set out at Appendix 'A'.
- (ii) Authorise the Director of Strategy and Performance to approve and publish, in consultation with the Deputy Leader and Cabinet Member for Highways and Transport:
 - a) The Transport Asset Management Plan 2019 data refresh.
 - b) The Transport Asset Management Plan Phase 2 Review.

Background and Advice

Lancashire's transport infrastructure assets are the most valuable publicly owned resources managed by the county council, with a combined estimated value of £9 billion. These assets are fundamental in helping the citizens of Lancashire to not only access a range of county council services but also take advantage of the wide range of economic, health, social and recreational opportunities that are available to them. Without this infrastructure Lancashire would not function as a place to live, work or visit.

The Transport Asset Management Plan sets out how the county council intends to maintain its publicly maintainable vehicular highway assets (i.e. A, B and C roads, unclassified road network, footways, street lighting, traffic signals and structures) over the period 2015/16 to 2029/30.

a) Transport Asset Management Plan 2019 Data Refresh

The performance of the Transport Asset Management Plan is reviewed annually and the information at Appendix 'A' shows the asset condition performance over the period 2014/15 to 2018/19.

The priorities during Phase 1 were to improve the A, B and C road and footway networks and Appendix 'A' shows that over this period the condition of these assets has improved. The majority of our A, B and C roads have improved to their pre-2009 condition and from 2014 the average percentage of RED (requiring structural repairs) or AMBER (requiring preventative treatments) sections of road, as measured by SCANNER data has reduced by 469km (40%). With regards to our footway networks there are now considerably less tripping hazard defects than in 2014, however it is acknowledged that the condition of footways still needs to improve.

The progress for 2019 is to be noted. For the full 2019 data refresh, which includes breakdown of the condition results by district, is suggested that the Director of Strategy and Performance be authorised to approve and publish same in due course, in consultation with the Deputy Leader and Cabinet Member for Highways and Transport.

b) Transport Asset Management Plan - Phase 2 Review

The original Transport Asset Management Plan, approved in 2014, proposed that during Phase 2 priorities would switch from A, B and C roads to the rural and urban unclassified road networks. In developing the proposals for Phase 2 of the Transport Asset Management Plan the following will be considered:-

I) - Department for Transport Funding

In 2016, the Department for Transport changed the way they fund local authorities and have only provided indicative allocations up to 2020/21. At this stage this means that we do not have funding certainty beyond this date.

II) - Capital Funding

The level of capital funding received from central government during phase 1 was below that which was expected. In order that the funding associated with maintaining

phase 1 priority assets was protected, funding for unclassified roads, structures, street lighting, traffic signals, drainage and moss roads was reduced. Subsequent additional borrowing allowed some investment in urban unclassified roads and moss roads during phase 1 of the Transport Asset Management Plan.

III) Overall capital requirements of the council

The level of funding available in addition to highways grants received will be dependent on the wider requirements of capital funding through the county and will be determined by a prioritisation criteria.

IV) Asset Types/Activities

There are increased pressures to fund additional asset related activities from the Transport Asset Management Plan from 2020/21 and the publication of the Well Managed Highways Infrastructure: Code of Practice document, (UK Roads Liaison Group: 2016) has formalised highway authorities' approach to management of risk when maintaining highway assets. Since March 2017 the county council's capital programme has had specific allocations for the management of risk and in recognition of this, it is proposed to include risk management based activities in the apportionment of funding in phase 2.

V) Life Cycle Modelling

In order to address the funding gap between what is needed to maintain the assets in a good condition and what is likely to be received, extensive life cycle modelling activities have taken place. The initial results confirm that the authority requires additional capital funds in excess of the amount that is likely to be provided through the Department for Transport in order to maintain the assets in a safe and good condition. Further lifecycle modelling work will be undertaken using the end of Phase 1 condition results to develop the proposals for phases 2 and 3.

VI) Service Standards

- Video Condition Surveys At the current time there is no guidance at a national level with regards to an agreed methodology for determining and reporting condition for the unclassified network. Work is being undertaken at a national level and also through the benchmarking group Local Council Roads Innovation Group to agree a methodology. It is proposed to take on board the work of these groups and report unclassified road condition in the Transport Asset Management Plan review using their recommendations; this will allow us to compare the condition of our highway network with other authorities using the same survey type.
- Bridge Condition - As a result of improved asset management knowledge, it is proposed to make changes the Bridges Service Standard. Instead of calculating condition according to the number of bridges across the whole bridge stock it is proposed to calculate separate condition scores for the three maintenance strategies identified in the approved Structures Lifecycle Plan. This will support alignment to the Resilient Route Network and allow condition to be assessed and investment allocated to the most critical structures. In addition, condition scores will be based of bridge deck area, rather than

bridge numbers as this will provide a better insight into the condition of our structures.

The Phase 2 Review is being worked on and will include the condition data across all asset types available in March 2020, to cover the full 5 years of Phase 1, so that the most up-to-date condition data can be used to predict change in asset condition under various funding scenarios.

It is suggested that when appropriate the Director of Strategy and Performance be authorised to approve and publish same, in consultation with the Deputy Leader and Cabinet Member for Highways and Transport. The Review will also consider the Service Standards.

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Risk management

Financial Risks

Proceeding into Phase 2 of the Transport Asset Management Plan without reviewing progress in Phase 1 and without assessing the impact of current condition and funding scenarios on asset condition, would lead to inefficiencies in the allocation of capital funds, increased costs due to preventative maintenance not being undertaken at the correct life cycle of the asset and anticipated asset condition deterioration.

The refresh and review documents are also supporting evidence for the Department for Transport Self-Assessment which is carried out annually. The use of outdated condition information could result in the county council failing to achieve a band 3 ranking which in turn would reduce the level of funding received from the Department for Transport by approximately £2.707m.

Legal

The Transport Asset Management Plan is an important document explaining and justifying work done and expectations. That it is reviewed and updated is important and it informs the county council's position vis a vis challenges and priorities.

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A