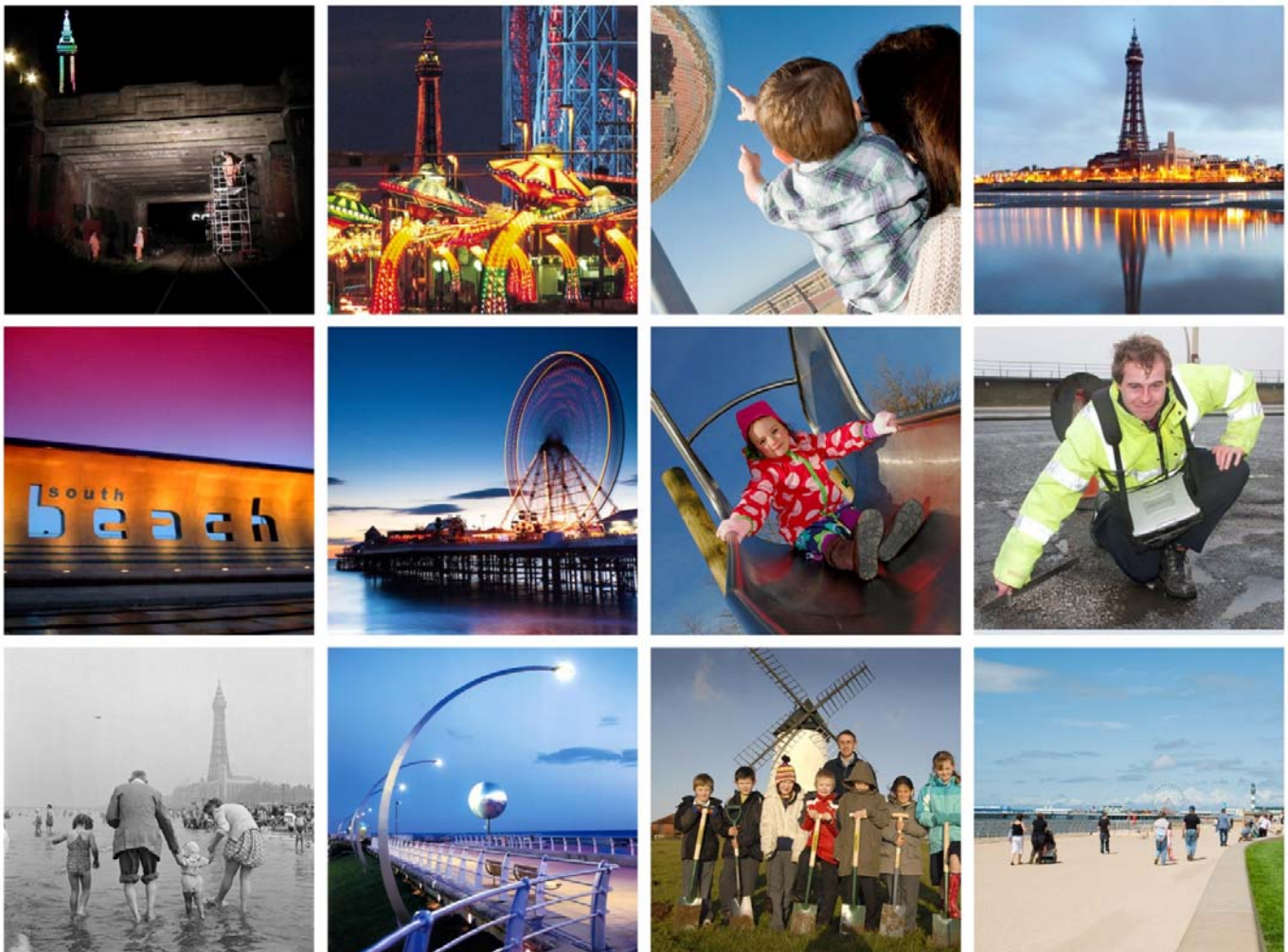


Road Asset Management Strategy 2015-2045 Part 1 Introduction

Blackpool Council



Blackpool Highways Asset Management Strategy

Part 1 Introduction

1.1 What is the purpose of this document?

This document provides an introduction to the series of documents that comprise Blackpool's Road Asset Management Strategy, RAMS.

It begins by briefly outlining the role of RAMS as part of Blackpool Council's approach to managing and maintaining the road network and the reasons why a RAMS is needed particularly at the current time.

It then sets out Blackpool's Road Asset Management Framework which describes the various functions of the RAMS represented by the different documents within the series, what the outputs of those different functions are and how they all fit together.

1.2 What is a Road Asset Management Strategy?

Blackpool Council's Road Asset Management Strategy, RAMS, is a series of documents that set out how road infrastructure in Blackpool will be managed over the medium term (5 years) and long term (10-30 years).

The term 'asset' is used in this document to refer to infrastructure that provide important economic, social and environmental services and benefits to people living, working and travelling through Blackpool.

Blackpool's road infrastructure assets include:-

Carriageways

- 529km of carriageways
- 73km of alleyways

Footways

- 1056km of footways (next to the carriageway)

Structures

- 27 bridges

Drainage

- Culverts
- 28,477 gullies
- 301 watercourses

Other assets

- 16km of safety barriers and guardrails
- 5,907 traffic signs and
- 539 bus stops and 242 bus shelters.

They collectively comprise the most valuable assets under our stewardship with a gross value of £833M (in 2014/15).

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Blackpool's street lighting and Traffic Control systems are managed through a Private Finance Initiative and as such will not return to Blackpool Council's control until 2028. Whilst they are not included with the short to medium term financial plans it is nonetheless vital that Blackpool Council consider the long term financial implications of reacquiring these assets within the 30 year strategy period.

1.3 What will the RAMS contain?

The RAMS is a collection of 'live' documents that will be updated at regular intervals as part of the due process. Elements of the RAMS will require further development through 2015/16 and 2016/17 and where this is the case the relevant sections will detail those specific action plans including the timing and appropriate approach to approval and updating.

The RAMS is organised in 5 Parts:

Part 1 Introduction

This document. The introduction also sets out the Road Asset Management Framework in the next section.

Part 2 Road Asset Management Policy and Principles

This is an overarching policy statement and set of principles for Road Asset Management that demonstrate how we will support the Corporate Plan priorities.

Part 3 Core Objectives and Strategy

- Analysis of the legal and policy context.
- Analysis of the challenges and risks to the sustainability of our road infrastructure over the next 10-30 years.
- Analysis of the financial context.
- Core objectives to address these challenges and support our aspirations for the Borough. This will be consistent with the strategic actions contained within Blackpool Council's Local Transport Plan.

Part 4 Asset Investment Strategies

Asset Investment Strategies provide the strategy actions and investments required to address the Core Objectives in Part 4 for each asset group, namely:

- Carriageways,
- Footways,
- Structures (including bridges),
- Drainage,
- Other assets including safety barriers, road markings etc.

Each investment strategy will contain the following:

- Asset performance trends,
- Performance forecasts and investment options,
- An assessment of the investment options and the degree to which they fit to the Core Strategy Objectives,
- Supporting strategy actions,

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- Assessment and management of risks affecting the delivery and outcomes of preferred investment options.

Part 5 Prioritisation Framework

- A framework for prioritising planned works proposals,
- A sequential method for managing critical infrastructure risks and then evaluating other non-critical proposals on the basis of value for money.

1.4 Format and layout of the RAMS documents

1.4.1 Where there is an identified need to develop capability or implement new requirements in relation to the items above, improvement actions will be highlighted in those relevant sections and summarised in ANNEX 1. Throughout the text of the RAMS key pieces of information will be highlighted in coloured tables:

- Conclusions and recommendations will be contained within green tables,
- Review and action plans will be contained within blue tables,
- Risks will be highlighted in red tables,
- Explanations of key concepts will be provided in orange tables.

1.5 Why is a RAMS needed?

Challenges and risks

1.5.1 The need for a long term approach to managing highway assets

Highway infrastructure assets typically have or long lifespans service lives. However, those service lives do come to an end and whilst it is possible to continue for some time to manage them with short term repairs, all assets will eventually require some form of major maintenance involving either preventative measures or partial or full replacement. This can lead to variable levels of investment requirements over time and, of equal importance, opportunities to undertake preventative actions that will substantially reduce long term costs also need to be anticipated and planned for. This is a very different view of maintenance to the traditional focus on reactive repairs.

1.5.2 Continued reductions in Central Government funding

Like many other local Councils, Blackpool Council faces a formidable challenge with continued reductions in Central Government funding and growing pressures from across all portfolios. In this context the RAMS is needed more than ever to provide the Council with a long term view that will clearly define the expectations from our transport infrastructure and quantify the corresponding levels of capital investment in different maintenance activities that will ensure medium and long term costs are minimised.

Blackpool Council now follows Road Asset Management principles, i.e. to sustain the same road condition as achieved under Project 30, using preventative treatments. To revert back to a 'worst first' approach will cost Blackpool Council £100M over the next 25 years. This 'spend to spend less' initiative means that funding can be used to support other important services.

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1.5.3 Addressing long term threats to the sustainability of our infrastructure

With Project 30, Blackpool Council laid the foundations for a highway network that can support Blackpool's long term economic and social aspirations. However, without a long term strategy, underlying risks and threats to the sustainability of our highway network will reach a critical level in the next 10-20 year period and will have significant and measurable impacts on economic growth prospects and in particular the tourism industry in Blackpool. Key amongst these are:

- the cumulative effects of underinvestment in routine and preventative maintenance on many parts of the infrastructure,
- the likely continued trend of higher construction price inflation and instability,
- the effects of climate change and its growing uncertainty over the vulnerability of our network with key coastal transport infrastructure.

1.5.4 Public satisfaction

Over the last 3 years Blackpool Council was the most improved authority in the UK for local residents' satisfaction towards road condition increasing from 22% satisfaction in 2011 to 41.3% in 2014. In 2014 Blackpool Council was awarded the best performance for public satisfaction for a range of transport related themes which included road condition. However, the highway network still receives a large volume of enquiries from the general public, businesses and tourists. At a number of 'Council Couch' sessions, the highway network accounted for 14% of issues raised and is amongst the top 3 subjects that are raised constantly at public forums.

Recent national policy developments

1.5.5 Government capital allocations policy for 2015/16-2020/21

Over the period 2015-2021 Central Government has introduced an incentive mechanism within the capital allocation process which is designed to encourage Local Authorities to adopt asset management strategies and other efficiency measures for their highway networks. Local Authorities that fail to demonstrate continuous improvement and fully embed asset management within their financial plans and forward works programmes will lose up to 15% of their capital allocation by as early as 2018/19 and up to 21% by 2020/21. See Part 4 for a full explanation.

1.5.6 Introduction of competitive bidding for maintenance capital

The Department for Transport has allocated a total of 10% of available highway maintenance capital budgets for the period 2015-2021 to a competitive Challenge Fund bidding process. Blackpool Council has already been successful in securing £5.565M from this process to reconstruct 10 bridges across the Borough.

This clearly demonstrates the benefits of our asset management approach in securing additional funding, in particular for larger schemes that are not easily managed within annual budgets. We also wish to undertake preparatory work through our asset management strategy to enable us to secure further funding in the next round of bids in 2018/19 to invest in the highway network.

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1.5.7 Opportunities for cheaper finance for infrastructure investments

There are growing opportunities for funding through lower cost financing mechanisms, in particular through the new Municipal Bonds Agency (Local Capital Finance Company) which may provide an alternative route for prudential borrowing to the traditional Public Works Loan Board. A robust asset management strategy is a vital prerequisite to accessing these mechanisms.

1.5.8 Demonstrating the economic benefits of infrastructure maintenance

Investments in capital maintenance very often yield much higher value for money than investments in new transport infrastructure. It is important that the RAMS can provide the evidence base for prioritisation of investments through engagement with regional partners such as through the Lancashire Local Enterprise Partnership (LEP). The link between maintenance and economic growth has already been recognised by the LEP as Blackpool have also been successful in securing Growth Deal funding of £3.8M alongside the Challenge Fund money towards the abovementioned bridge reconstruction programme.

1.6 Road Asset Management Framework

1.6.1 What is the Road Asset Management Framework?

The RAMS documents form part of a wider set of documents and associated processes that comprise Blackpool Council's Road Asset Management Framework.

The aim of the Road Asset Management Framework is to define how all of these documents and processes fit together to ensure that every aspect of delivery of the Council's highway services is directed by our high level policy and strategy objectives.

The framework is built around a number of international and national standards for asset management including PAS 55:2008, ISO 55000:2014, the International Infrastructure Management Manual (IIMM) and BS PAS 1192-3:2014 on asset information management. Specific national guidance on Highway Infrastructure Asset Management provided by the UK Roads Liaison Group (UKRLG, 2013) contains a recommendation that Local Highway Authorities should adopt an Asset Management Framework for its highway and transport assets.

However, it is also necessary to adapt and interpret these standards to the context of Blackpool Council to enable us to fully embed asset management across the organisation and link with existing functions within the Council.

We are disseminating and developing our processes and methods through the Local Councils' Road Investment Group (LRHIG), which was established by Blackpool Council, to ensure that our approach reflects best practice and enables us to benchmark with other Local Authorities. There are now a number of other local council's adopting and following our approach.

1.6.2 Governance of the Road Asset Management Framework

A Road Asset Management Board is established with the following membership:

- Cabinet Member for Municipal Assets,
- Director of Community and Environmental Services,

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- Head of Highways and Traffic Management Services,
- Senior Highway Management Officers,
- Transport Policy Representatives,
- Representatives of Director of Resources for Finance,
- Representatives of the Corporate Risk Services ,
- Representatives from the Corporate Procurement service.

The role of the Road Asset Management Board will cover the following:

1. Commissioning of reviews of the key elements of the Road Asset Management Framework according to stipulated schedules within the RAMS.
2. To make recommendations in relation to preferred long term investment options and major projects and programmes and inform the development of the Medium Term Financial Strategy.
3. To monitor investment strategy outputs and manage exceptions and variance from the projected outputs and target trajectories.
4. To own and manage the risks within the Corporate Risk Register that originate from the RAMS.
5. To commission and receive annual reviews of the resilience of Blackpool's road network.
6. To review the implications of the RAMS for preferred delivery and procurement routes
7. To commission stakeholder engagement and communication activities and public satisfaction surveys.
8. To receive an annual State of the Borough report containing key monitoring and evaluation information related to the condition and performance of assets, customer satisfaction and wider social, economic and environmental outcomes of the RAMS.
9. To ensure that the Council's information management systems are fit for the purpose of delivering the Road Asset Management Framework.
10. To ensure that the management of the Highways Risk group are developing and improving the defence methods and including any lessons learned feeding back to the corporate risk group. The highway risk group are also developing robust claims metrics for reporting.
11. Monitoring the success and developing fraud prevention with the fraud prevention officer.

1.6.2 Key elements of the Road Asset Management Framework and influences

Figure 1.6.2 shows the main elements of the Road Asset Management Framework and the links with the Blackpool Council Plan Priorities, Blackpool Local Transport Plan (LTP) and national legislation, policy and Codes of Practice.

These documents ensure a full 'line of sight' from the Council's priorities to the specification of levels of service and operational policies for delivery of highway services.

Sections 1.6.2.1 - 1.6.2.13 cover the key elements of the RAMS Framework in turn. The status of each element within the current edition of the RAMS is also summarised with actions for review or improvement and recommended consultation and democratic approval process.

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1.6.2.1 Road Asset Management Policy

The guiding principles set out in Part 2 provide the justification and common understanding of the way in which Blackpool Council carries out its asset management functions. In particular they dictate the way in which we respond to the expectations of our stakeholders and wider challenges and risks affecting our service.

Current status, review and actions

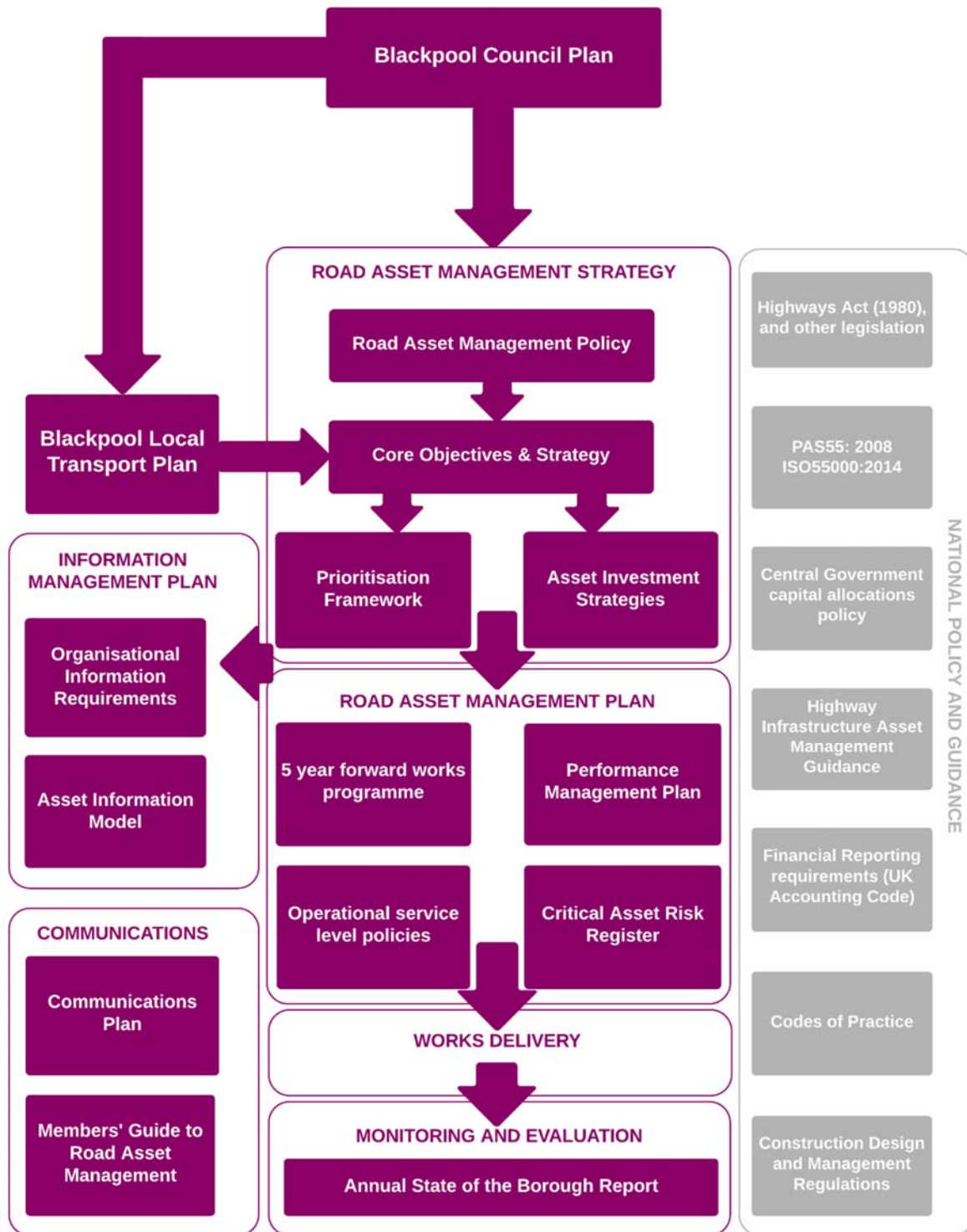
The Policy and Principles should be reviewed on at most a 5 yearly cycle with scoping reviews in between in line with revisions to the Council Plan or major changes to legislation.

1.6.2.2 Core Objectives and Strategy

Figure 1.6.2.2 shows the key elements of the core objectives and strategy and its interactions with other documents and processes.

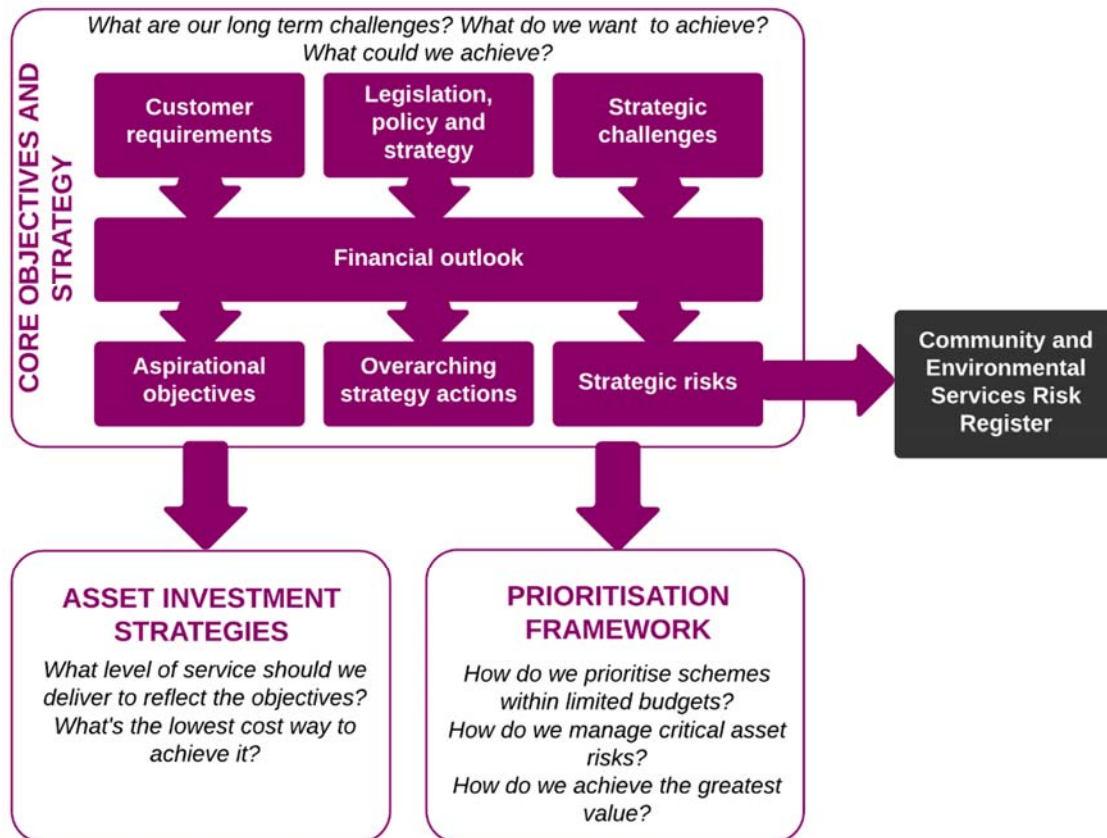
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Figure 1.6.2 Key elements of the Road Asset Management Framework and Influences



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Figure 1.6.2.2 Core Objectives and Strategy and interactions with other documents



These Core Objectives are not necessarily expressed as measurable targets at this stage but provide direction to the investigation of options for each asset group in the Asset Investment Strategies. It also provides a prioritisation of these objectives recognising future budget limits.

Current status, review and actions

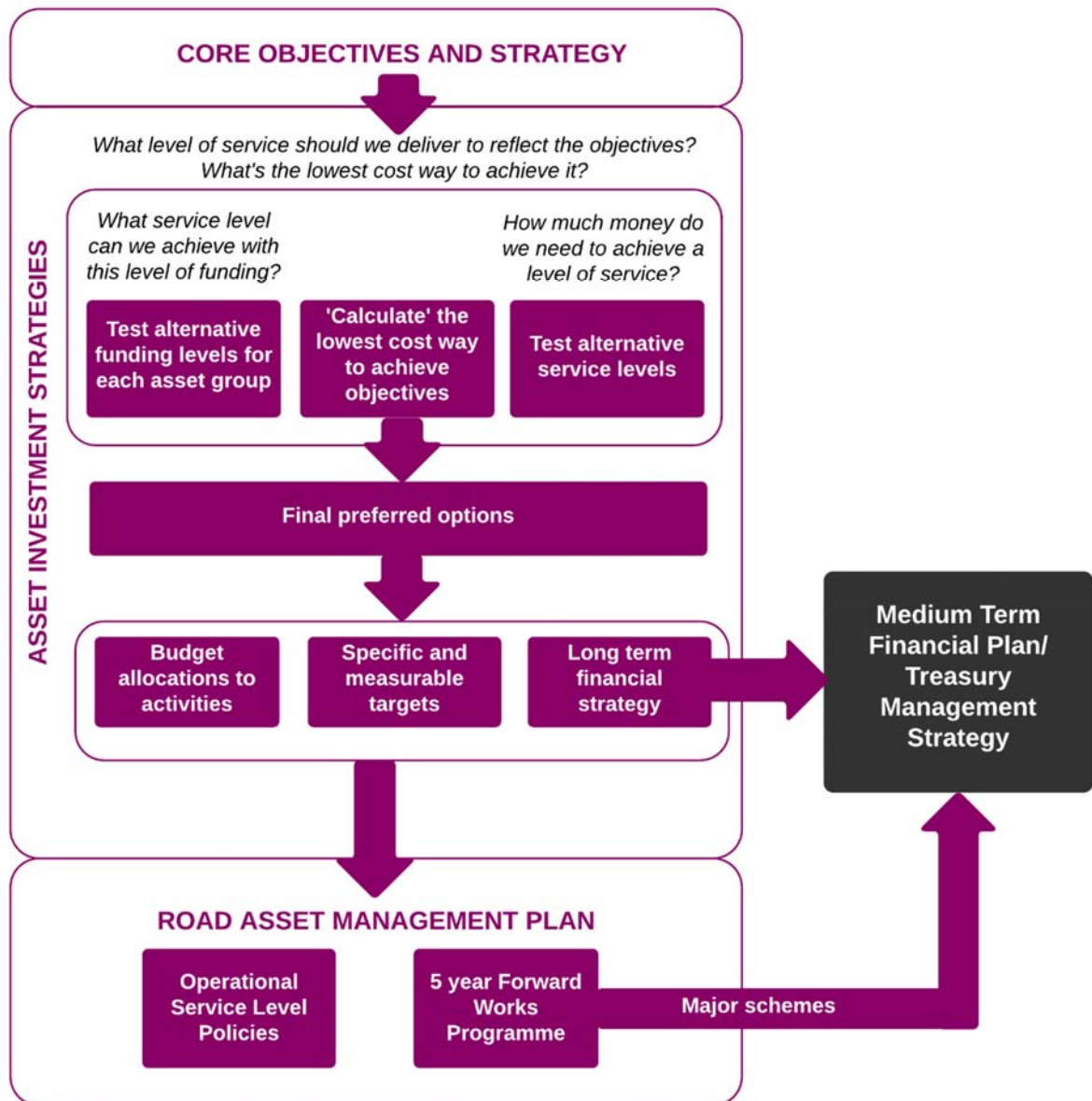
The Core Strategy should be reviewed on at most a 5 yearly cycle with scoping reviews in between in line with revisions to the Council Plan or major changes to legislation.

1.6.2.3 Asset Investment Strategies

Figure 1.6.5 summarises the various processes and functions involved in the development of the Asset Investment Strategies. The aim of the Asset Investment Strategies is to translate the aspirational objectives in the Core Objectives and Strategy into quantified service levels for each asset type with a clear view of the long term investments required to achieve them.

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Figure 1.6.2.3 Asset Investment Strategies elements, processes and interactions



The Asset Investment Strategies also demonstrate how the preferred approach provides the most cost effective approach to achieving objectives, targets and service levels. Long term investment plans should inform the Council's Medium Term Financial Plan.

Current status, review and actions

The Part 4 Asset Investment Strategies support budget allocations for the period 2016/17-2018/19.

They require revision over the following timescales:

Carriageways: Q3 2016/17

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Current status, review and actions

Footways: Q3 2016/17

Structures: Q1 2016/17

Drainage: Q1 2017/18

Any revisions to the Asset Investment Strategies that require reprioritisation of budgets across asset types or from additional Council resources will be subject to consultation with stakeholder groups, Scrutiny Committee and Executive approval.

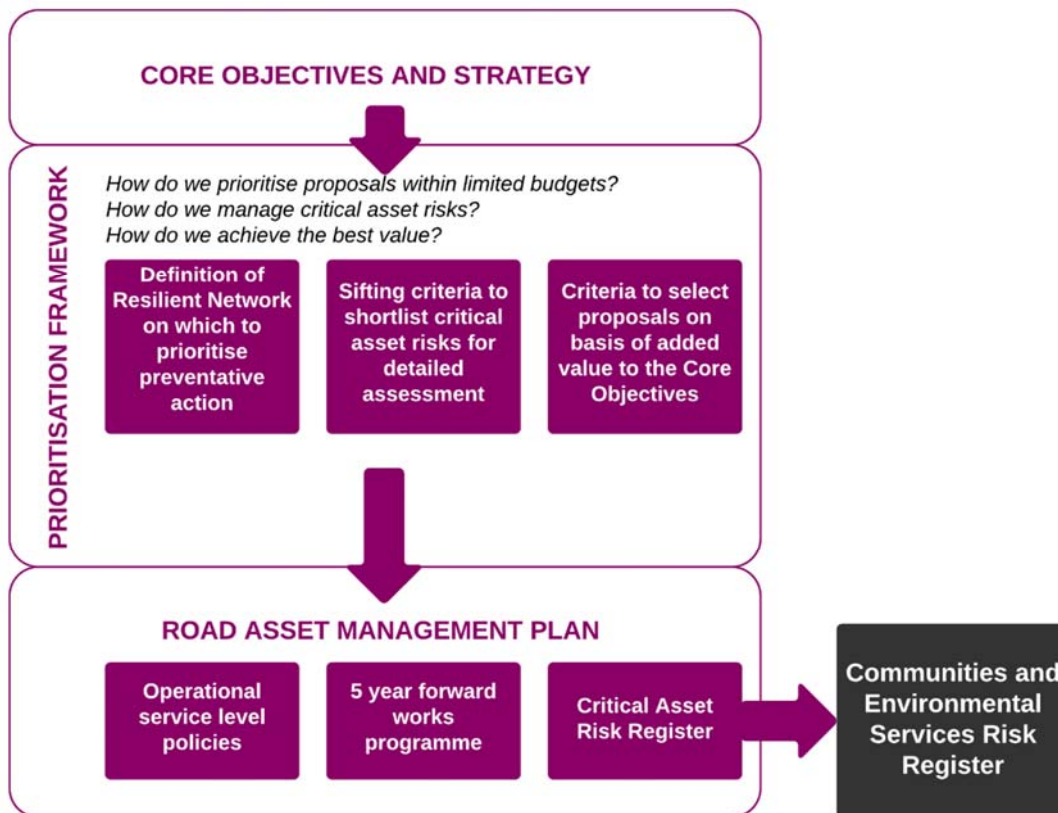
Any revisions that constitute refinements of the strategies within existing budgets will be delegated to the Road Asset Management Board for approval.

1.6.2.4 Prioritisation framework for physical works

Figure 1.6.6 shows the processes, outputs and interactions within the Part 5 Prioritisation Framework.

The aim of the prioritisation framework is to ensure that proposals for works on the road network are selected in order to best achieve the Core Objectives within limited budgets. In particular the prioritisation framework enables the Council to manage and reduce critical infrastructure risks (such as flooding from failure of road drainage).

Figure 1.6.2.4 Prioritisation Framework processes, outputs and interactions



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This includes the definition of a Resilient Network which is vital for the functioning of Blackpool and will be prioritised for preventative and routine maintenance to minimise the risk of severe disruption.

Current status, review and actions

Part 5 Prioritisation Framework process requires considerable support from the Council's asset information systems. It will take a year to develop the information systems to the extent that they can support this function (Q3 2016).

A Resilient Network (for example, a road network that is prioritised for maintenance to ensure its operations during severe weather) has been developed although this will requires ongoing consultation with emergency services and stakeholder groups including the Highways Consultative Forum and residents groups.

The Resilient Network will be reviewed on an annual basis following consultation with emergency services. Revisions will be approved by the Road Asset Management Board in consultation with the Corporate Risk Group.

1.6.2.5 5 Year Forward Works Programmes

The forward works programmes (of Road Asset Management Plan RAMP) identify individual schemes to be delivered over a 5 year period. As shown in Figures 1.6.2.3 and 1.6.2.4 they are developed in line with the budget allocations in the Asset Investment Strategies and the prioritisation criteria within the Prioritisation Framework.

The value of planning over the 5 year time horizon is that it enables the coordination of schemes to reduce disruption and achieve cost efficiencies.

Programmes may change in the light of new and unforeseen events and the level of certainty over the scheduling of schemes reduces significantly beyond 2-3 years. As a result the programmes require review on an annual, rolling, basis.

Current status, review and actions

A full 5 year forward works programme (RAMP) has been developed and will be reviewed in line with the Prioritisation Framework once development of information system capability has been completed in Q3 2016.

1.6.2.6 Operational Service Level Policies

Operational Service Level Policies translate the RAMS into practical and deliverable service level policies that set out the Council's approach to reactive, routine and planned maintenance and customer service. Particular examples include the Highway Inspection and Repair Policy and the Road Skid Resistance Policy.

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Current status, review and actions

Service level policies require review in the light of the Asset Investment Strategies and the new Code of Practice due for publication in 2016. A review of Skid Resistance Policy is also required.

Service level policies should be considered by the Road Asset Management Board with approval delegated to the Cabinet Member for Urban Regeneration.

1.6.2.7 Performance Management Plan

The purpose of the Performance Management Plan is to set out the approach to monitoring the outputs and outcomes of the RAMS and defining the responses to risks and performance that is not on target.

Current status, review and actions

As at Q3 2015/16 work to develop the Performance Management Plan has not commenced.

The Performance Management Plan will be developed for Q3 2016/17.

The Performance Management Plan will be approved by the Road Asset Management Board.

1.6.2.8 Critical Asset Risk Register

The purpose of the Critical Asset Risk Register is to ensure that the Council can monitor, manage and mitigate major infrastructure risks on the road network. These risks should also be held on the Community and Environmental Services Risk Register. However, the reason for identifying a distinct register is that these risks relate to deterioration and failure of critical assets and as such are constantly changing.

Current status, review and actions

A Critical Asset Risk Register will be developed in line with the Prioritisation Framework once development of information system capability has been completed in Q3 2016.

1.6.2.9 Organisational Information Requirements

This document sets out the information requirements to support the whole Road Asset Management Framework and in particular the Performance Management Plan and the Prioritisation Framework. This is the first step towards defining a fully integrated Asset Information Model that will support multiple functions both within Highway Services and across other Council services. The documentation of Organisational Information Requirements is a recommendation within the BS PAS1192-3:2014 on management of asset information.

Current status, review and actions

The Organisational Information Requirements will be developed following development of the Performance Management Plan and implementation of the Prioritisation Framework and be completed by Q4 2016/17

1.6.2.10 Asset Information Model

This is a detailed document setting out all of the requirements for data, formats, processing and calculations in order to support the Organisational Information Requirements above. It will therefore provide the basis for development of the information systems required to support the RAMS and will also outline roles and responsibilities for data management.

The definition of an Asset Information Model is also a recommendation within the BS PAS1192-3:2014 on management of asset information.

Current status, review and actions

The Asset Information Model will be developed alongside the Performance Management Plan and implementation of the Prioritisation Framework and will be completed by Q4 2016/17.

1.6.2.11 Communication Plan

The communication plan will cover Member communication, public consultation as well as behavioural change programmes.

Current status, review and actions

The Communication Plan will be completed in Q4 2015/16.

1.6.2.12 Members' Guide

The purpose of the Members' Guide is to provide Councillors with relevant information to enable them to engage with and influence the RAMS. Strong leadership is vital for an effective and transparent asset management approach and this document will play a crucial role in empowering Councillors to take part.

Current status, review and actions

The Members' Guide will be completed in Q4 2015/16.

1.6.2.13 Annual State of the Borough Report

The State of the Borough Report (SBR) is an important tool to ensure a feedback mechanism to the forward works programming and strategy review process. This report will contain the following pieces of information:

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1. Asset condition indicators,
2. Reporting of indicators against the identified targets and benchmarking indicators with LCRIG,
3. Reporting of output indicators such as maintenance quantities that are stipulated in the RAMS,
4. Highlighting of deviation from performance targets and interpretation as to whether or not these are due to changes in programme outputs or as a result of poor validation of forecasting models etc,
5. New risk events (such as extreme weather) and their implications for the risk register and required mitigation actions,
6. Recommendations for revisions to the Resilient Network,
7. Progress with implementing improvement actions within the RAM framework,
8. New legislation, guidance and policies and their implications for the need to review the RAMS,
9. Reports on pilots for new or innovative maintenance materials and methods,
10. The implications of performance indicators for contract and supply chain management and collaboration with our contractors.

Current status, review and actions

The State of the Borough Report will be prepared for the Road Asset Management Board in Q2 of each financial year.