
Report To:	Environment and Regeneration Committee	Date:	2 March 2017
Report By:	Corporate Director Environment, Regeneration and Resources	Report No:	ERC/ENV/RG/16.304
Contact Officer:	Robert Graham	Contact No:	1058
Subject:	Road Asset Management Policy		

1.0 PURPOSE

1.1 The purpose of this report is to agree and approve the Road Asset Management Policy.

2.0 SUMMARY

2.1 The Council has approached the management of its roads infrastructure on an asset management planning basis since 2012 and approved the Roads Asset Investment Strategy on 30 August 2012.

2.2 The Committee subsequently agreed the Road Asset Management Strategy 2018-2023 on 12 January 2017 and remitted it for consideration as part of the 2017/18 budget process.

2.3 The provision of a Road Asset Management Policy (appendix 1) underpins the agreed strategy and provides clear policy objectives in relation to these assets.

3.0 RECOMMENDATIONS

3.1 That the Committee note and approve the Road Asset Management Policy.

Robert Graham
Head of Environmental & Commercial Services

4.0 BACKGROUND

- 4.1 The Council has approached the management of its roads infrastructure on an asset management planning basis since 2012 and approved the Roads Asset Investment Strategy on 30 August 2012.
- 4.2 The Committee subsequently agreed the Road Asset Management Strategy 2018-2023 and remitted it for consideration as part of the 2017/18 budget process.
- 4.3 The proposed Road Asset Management Policy underpins the agreed strategy and provides clear objectives in relation to the management of the assets of the roads network.

5.0 PROPOSALS

- 5.1 The Road Asset Management Policy applies to the creation/construction, acquisition, operation, maintenance, rehabilitation and disposal of all Council Road Assets.
- 5.2 The Policy guides the management of the Council's Roads Assets to ensure that:
 - Assets continue to deliver a service to the community at an agreed level of service.
 - There is clear direction for staff to make informed decisions.
 - Legislative requirements are satisfied.
 - Exposure to risk is limited to acceptable levels.
 - Asset purchases or construction are only approved after whole life costs and benefits are assessed.
 - Clear allocations of responsibilities for the management of each class of asset are given.
- 5.3 Appendix 1 outlines the scrutiny and obligations within the Road Asset Management Policy and provides policy details of the commitments embraced within the following key headings of the document:

1. Asset Planning
2. Community Expectations
3. Risk Assessment and Management
4. Asset Accounting
5. Budget Allocation
6. Road Asset Management Plan
7. Road Maintenance Manual
8. Reporting
9. Roles and Responsibilities

6.0 IMPLICATIONS

6.1 Financial Implications

The policy does not commit the Council to any financial obligations or budget commitments however the expenditure against any approved funding should be assessed against the criteria set out against the Corporate Plan and the Road Asset Management Policy.

6.2 Legal Implications

The policy supports the obligations of the Council, as the Roads Authority, in terms of the Roads (Scotland) Act 1984.

6.3 Equalities

This report has no implications or impact in relation to equalities.

6.4 Repopulation

This report does not impact on repopulation.

6.5 Human Resources

This report does not impact on Human Resources.

7.0 CONSULTATIONS

7.1 The Head of Legal and Property Services has been consulted on the content of this report.

7.2 The Chief Financial Officer has been consulted on the content of this report.



ROAD ASSET MANAGEMENT PLANNING

ROAD ASSET MANAGEMENT POLICY

Document Information

Title	Inverclyde Council Road Asset Management Policy
Author	Adrian Wanstall, exp consulting ltd
Description	This document summarises Inverclyde Council recommended asset management policy. The policy applies to the creation/construction, acquisition, operation, maintenance, rehabilitation and disposal of all Council Road Assets.

Document History

Version	Status	Date	Author	Changes from Previous Version
1.0	Draft	Dec 2016	A. Wanstall, exp consulting	Not applicable
2.0	Final	Feb 2017	R. Graham Head of Service	Minor adjustments

Document Control

Version	Status	Date	Authorised for Issue by Inverclyde Council's Environment and Regeneration Committee
1.0	Final	March 2017	

SCOPE

This policy applies to the creation/construction, acquisition, operation, maintenance, rehabilitation and disposal of all Council Road Assets.

POLICY OBJECTIVES

This policy guides the management of Inverclyde Council's Road Assets to ensure that:

- Assets continue to deliver a service to the community at an agreed level of service.
- There is clear direction for staff to make informed decisions.
- Legislative requirements are satisfied.
- Exposure to risk is limited to acceptable levels.
- Asset purchases or construction are only approved after whole of life costs and benefits are assessed as appropriate to the scale of the project.
- clear allocations of responsibilities for the management of each class of asset are given.

DEFINITIONS

- **Assets:** Any physical item that Council acquires or constructs which gives benefit or service to the community.
- **Asset Register:** A record of asset information considered worthy of separate identification.
- **Asset Life:** Time from acquisition to disposal.
- **Asset Management:** Activities and practices through which Council optimally manages its physical assets over their lifecycle for the purpose of achieving the organisational strategic plan.
- **Asset Management Plan:** A plan that details financial and technical treatments over the life of the asset to allow the asset to maintain an agreed level of service.
- **Level of Service:** The service standard set for an asset group/type.
- **Whole Life Costs:** Total cost of an asset over its entire life including Capital, Maintenance and Disposal Expenditure.
- **Capital Expenditure:** Any expenditure that is used to procure or construct: a new asset, upgrade the capability of an asset, make improvements to an asset, make additions to an asset or replace an asset
- **Revenue/ Maintenance Expenditure:** Any expenditure that allows an asset to continue providing the agreed level of service until the end of life is reached.

POLICY DETAILS

1. Asset Planning

- Council will adopt an asset management planning approach for the management of infrastructure assets including the application of life cycle cost analysis as advocated in the SCOTS/CSSW Asset Management Framework.
- Prior to acceptance, proposed Capital Works projects shall be subjected to technical and life cycle cost evaluation and prioritised using predetermined criteria developed to satisfy the goals of the Corporate Plan and the Road Asset Management Plan (RAMP).
- Wherever possible predictive modelling will be used to develop and implement preventative maintenance programs to ensure lowest life cycle costs.

2. Community Expectations

- All road infrastructure services will be regularly reviewed to ascertain the community level of service expectations.
- Council values community input regarding desirable infrastructure projects prior to asset planning investigations.
- Council will regularly review its asset inventory and identify opportunities for rationalisation in line with community requirements.

3. Risk Assessment and Management

- Council will maintain a programme of regular inspections of assets to minimise risk to the community.
- The council will maintain and regularly review a Road Asset Risk Register that will identify the risks associated with the council's Road infrastructure and record the controls in place to manage them.
- The prioritisation of maintenance and capital work to assets will take account of the council's risk management policy.

4. Asset Accounting

- Council will maintain asset registers to the level of detail required to meet the requirements of the CIPFA Code of Practice on the Highway Network Asset (2016 Edition).
- Useful lives shall be determined and given to each asset group/type or component based on the use of life cycle plans to determine the Useful Economic Life (UEL), past experience and current benchmarked standards.
- Annual Depreciation costs will be calculated using the method set out in CIPFA Code of Practice on the Highway Network Asset and reported annually with gross replacement and depreciated replacement cost figures.

5. Budget Allocation

- The council budgets for Roads including the funding for all asset purchase, maintenance, rehabilitation and replacement shall be guided by Council's Road Asset Management Plan after taking account of projected available resources.
- The allocation of budgets (capital and revenue) will be reviewed 5 yearly taking into account the status of each asset and the level of service achieved in the preceding year(s) shown in the annual status, the options report and projected available resources.
- A rolling 3 year programme of proposed capital works will be maintained linked to the Road Asset Management Plan and long term financial plans.

6. Road Asset Management Plan

- Council will develop a 5 Year Road Asset Management Plan covering all the councils Road Assets including carriageways, footways, street lights, structures, traffic signals, signs and street furniture.
- Asset Management Plans shall define the management strategies to be adopted throughout the life cycle of the asset.
- The Asset Management Plan sets out for each asset group/type
 - o Predicted future changes in demand
 - o Levels of service required
 - o The investment required in the maintenance, renewal and replacement of assets required to meet the levels of service
 - o Methods of performance monitoring and appraisal.
 - o Financial projections
 - o The risks associated with the plan

7. Road Maintenance Manual

- The council will maintain a manual detailing how Road maintenance is carried out.
- The Road maintenance manual defines how and when we:
 - Inspect
 - Categorise and prioritise reactive repairs
 - Assess condition
 - Identify and prioritise sites for renewal or replacement
 - Choose the materials used
 - Prepare works programmes
 - Procure and manage works
 - Record and report costs
 - Record and respond to customer contacts

8. Reporting

- The council will prepare an annual status report that summarises
 - o The status of each asset group in terms of its condition and the council's ability to meet its reactive repair standards
 - o The result of the previous year's investment in terms of meeting the target service standards.
- The council will prepare a 5 yearly Road Asset Management Strategy (RAMS) report that summarises
 - o the works undertaken over the previous 5 years,
 - o the effect this has had on the condition of the network, and
 - o the options available for the future in term of both short and long term predictions of levels of defects and condition that can be afforded for different budget levels
- The RAMS document will initially be presented to the Corporate Management Team for agreement of the recommended investment options to be pursued.
- Thereafter the RAMS document along with the recommended 5 year investment option will be presented to Council for approval.
- When the budget is set any amendment to the service standards specified in the asset management plan will be made and an updated asset management plan published.

9. Roles And Responsibilities

Council

- To act as custodians of community assets.
- To set corporate asset management policy with linkage to Council's Corporate Plan.
- To set agreed Levels of Service and Levels of Acceptable Risk for each asset class.
- To allocate budgets to achieve the levels set.
- To ensure appropriate resources for Asset Management activities are made available.
- To seek community feedback on proposed changes to service levels.

Chief Executive Officer / Executive Team

- To provide strategic direction and leadership.
- To ensure there is continuous improvement in asset management.
- To review existing policies and develop new policies related to asset management.
- To implement Corporate Asset Management Strategies with agreed resources.
- To monitor and review managers and staff in achieving the Asset Management Strategy.
- To ensure accurate and reliable asset information is presented to Council.

Inverclyde Council

Road Asset Management Policy



Managers and Staff

- To implement the Asset management policy and plan with agreed resources.
- To develop and implement improvement plans for individual asset groups.
- To develop and implement Maintenance and Capital Works programs in accordance with Asset Management Plan and budgets
- To deliver levels of service to agreed risk and cost standards.
- To present information to the Council, Chief Executive Officer and Corporate Management Team in terms of life cycle risks and costs
- To seek community feedback on proposed changes to service levels.

Asset Management Working Group

- An Asset Management working group will be established to assist and have input with strategic asset management planning.
- Staff responsibilities for Asset Management activities shall be included in the Asset Management Plan and also be reflected in individual position descriptions.

ASSOCIATED PROCEDURES AND RELATED POLICIES

- Corporate Risk Management Policy
- Corporate Asset Management Policy
- Road Asset Maintenance Manual
- Financial Procedures

REVIEW DATE

- March 2023.