

Environment, Development and Transport Committee

Item No.

Report title:	Highways Asset Performance
Date of meeting:	6 July 2018
Responsible Chief Officer:	Tom McCabe - Executive Director, Community and Environmental Services
Strategic impact The highway network is fundamental to the local economy and plays a major part in many aspects of our lives. An effective network enables everyone to move around the county more easily for access to work, key services, businesses and leisure. Our goal for is to provide a value for money highway service, whilst continuing to provide a safe highway network and maintaining public satisfaction, in line with corporate priorities.	

Executive summary

This report highlights performance of the highway asset against current service level priorities, based on previous Member decisions. It covers planned capital structural maintenance of the assets only.

The 2018-19 budget of £35.5m. The estimated budget is £32.5 in 2019-20.

The condition data for 2006-7 is used as a baseline against which the highway backlog is measured. The overall highway asset backlog at June 2018 is £37.9m, which has decreased from the 2016/17 figure of £51.4m. This compares with in £48.9m in 2015/16 and £59.4.5m in 2014/15.

Public satisfaction with highway condition in Norfolk, remains positive. In the 2017 survey we were ranked 7th overall of 31 shire counties, compared with 3rd last year. The slight decrease in the backlog and maintenance of comparatively good public satisfaction suggests that the current asset management strategy has been effective.

The report also covers progress on the Code of Practice for Well-Managed Highway Infrastructure, the performance of contractors against Key Performance Indicator's and some proposed changes to standards that require Member approval.

Recommendations:

Members are recommended to:

- a) **Note the progress against the Asset Management Strategy Performance framework and the continuation of the current strategy and targets**
- b) **Note the progress against the implementation of Well-Managed Highway Infrastructure a Code of Practice item**
- c) **Note the performance against Key Performance Indicator's in Highway Contracts (Tarmac, WSP & Dynniq)**

1. Proposal

1.1. Highway Asset Performance

- 1.1.1. Our Highway Asset Management Policy was agreed in July 2014 by EDT committee. The Strategy was reviewed on 14 October 2016 by the EDT committee who approved a performance framework.
- 1.1.2. This allows members to be informed on whether the strategy is delivering the performance targets, and to take corrective action or manage changing circumstances such as annual budgets or the regulatory framework. Evidence is in section 2.

1.2. **Well Managed Code of Practice for Highway Infrastructure**

- 1.2.1. The Code of Practice is not statutory but provides highway authorities with guidance on highways management. Highway authorities have certain legal obligations to which they have to comply, and which will on occasion be subject to claims or legal action by those seeking to establish non-compliance. It has been recognised that in such cases, the contents of the Code may be considered relevant best practice.
- 1.2.2. A new Code of Practice was published in October 2016. It changed to a risk-based approach determined by each Highway Authority and will involve appropriate analysis, development and approval through authorities' executive processes. Its use evidenced by Member's approval will aid the development of our service.
- 1.2.3. In September 2017 our EDT committee approval the adoption of the 36 recommendations and an improvement Plan to manage this change. Evidence on progress is in section 3.0.

1.3. **Highway Contract Reports**

- 1.3.1. Evidence on progress is in section 4.0.

2. **Highway Asset Performance**

2.1. **Performance Framework**

- 2.1.1. The progress of our Asset Management Strategy is informed by the performance measures agreed with this committee on the 14 October 2016. The 2017-18 result can be seen in Appendix A. These are generally in line with targets and no change to the strategy and performance targets are suggested at this stage. Members are asked to note the progress.

2.2. **Asset Condition**

- 2.2.1. It was recognised that the current level of funding makes the maintenance of current condition challenging and that in most circumstances the strategy will be to manage a slight deterioration.
- 2.2.2. Any shortfall in achieving 2006-07 service levels, or otherwise agreed in 2013-14, is described as a backlog. The overall highway asset backlog at April 2018 is £37.9m. This is a decrease compared with £51.4m in 2017. This has been summarised in Appendix B.
- 2.2.3. The backlog has reduced due to the implementation of the Greater Norwich Drainage scheme now completed, and slight improvement in road condition. A summary on the performance of individual asset types can be seen in Appendix C.

2.3. **Customer Satisfaction**

- 2.3.1. The National Highways and Transport Network Survey is carried out annually. For the 2017 survey 3,300 Norfolk residents, chosen at random, were asked to rate a range of highway and transportation services, including public transport, walking and cycling, congestion road safety and highway maintenance.

- 2.3.2. Altogether 121 local authorities signed up for the 2017 survey. Overall Norfolk County Council ranked seventh against 31 comparable councils. This compared with third in 2016.
- 2.3.3. Of those indicators contained in our Asset Performance Strategy Measures in App A we ranked;-
 - Overall – 7th
 - Condition of highways – 5th
 - Highway Maintenance – 7th
 - Pavements & Footpaths – 8th
 - Street lighting – 9th
 - Satisfaction with public rights of way – 22nd
- 2.3.4. The 2018 survey is due to be sent out in June, with the results being released in September, and published in October.

3. Well-Managed Highway Infrastructure a Code of Practice

- 3.1. An improvement plan to enable the 36 recommendations of the new Code to be adopted for 2018-19 was approved by ETD on 15 September 2017.
- 3.2. The plan is reviewed regularly and relevant officers provide updates on the actions to which they have been assigned. At the time of writing this report, we can confirm that over half of the actions (54%) have been completed, 38% are currently assigned the status of 'green' and the remaining 8% are 'amber' where they are pending feedback from external sources. This indicates we are on track and in a good position to adopt the new Code of Practice recommendations when it comes into force.

4. Norfolk Contract Report 2017-2018

- 4.1. Three main contracts were established in 2014 to help us deliver the highway service in Norfolk. The contractors and employer (Norfolk County Council) manage the delivery of services in accordance with the governance arrangements set out in the contract service information and performance is monitored regularly throughout the year. At the end of each financial year an end of year report is produced summarising the performance of each contract over the previous 12 months. These contracts are Tarmac (for works), WSP (for professional services) and Dynniq (for permanent traffic signals).
- 4.2. Each contract specifies key targets that each supplier has to achieve in the form of Key Performance Indicators (KPIs). This year's end of year report confirms that all three contracts have achieved an overall score over 4 (out of a possible 5), which is in the highest band (Band A). The full report, looking at year 4 of each contract, can be found in Appendix D
- 4.3. Previously a stand-alone document, this is the first year it is included as part of this report.

5. Financial Implications

- 5.1. The budgetary allocations were approved at EDT 19 January 2018 and subsequently at Cabinet 16 April 2018. Subsequently government announced in February and March additional allocations in the Pothole Fund totalling £3,568,692. This funding is 'ring-fenced' for pothole repairs or the prevention of potholes. The funds will be spent on pothole and patching repairs together with some surfacing. In total the available structural maintenance funding for 2018-19 is £35.5m.

6. Issues, risks and innovation

- 6.1. If the funding for the quantity of our highways schemes is reduced in future years due to changes in budgets or inflation, the performance framework targets should be revisited as they are unlikely to be sustainable.

7. Background

- 7.1. At the EDT committee meeting on 14 October 2016 Members approved the Highways asset management strategy and performance framework- [EDT committee minutes 14 Oct 2016 Highway Asset Performance Report](#)
- 7.2. At the EDT committee 15 September 2017 Members approved the [Highway Asset Performance Report](#) including the adoption of an improvement plan for the implementation for the new Code of Practice.
- 7.3. At the EDT committee meeting on 19 January 2018 Members approved the Highway capital programme and Transport Asset Management Plan (TAMP) - [EDT committee minutes 19 Jan 2018 Highways Capital Programme and TAMP](#)
- 7.4. This was subsequently approved by the Full Council meeting on the 16 April 2018. [Norfolk County Council minutes 16 Apr 2018 Highways Capital Programme and TAMP](#)

Officer Contact

If you have any questions about matters contained in this paper or want to see copies of any assessments, eg equality impact assessment, please get in touch with:

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