



Newcastle City Council
Transport Asset Management
Policy Statement

Document Information

Title	Highway Asset Management Policy Statement
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Description	This document details the Transport Asset Management Policy for Newcastle City Council

Document History

Version	Status	Date	Author	Changes from Previous Version
1.0	Final	2015.10.19	P Holmes Principal Engineer	Not applicable

Document Control

Version	Status	Date	Authorised for Issue by: TBA
1.0	Final	2015.10.19	Cabinet Member approval

SCOPE

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

POLICY OBJECTIVES

This policy guides the management of Council's 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.
- To give clear allocations of responsibilities for the management of each class of asset.

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, and their associated performance, risks and expenditures 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 or class to allow the asset to maintain an agreed level of service.
- **Level of Service:** The desired measurable service standard set for an asset group/type. Each activity is to have its service performance measured against the set level.
- **Whole Life Costs:** Total cost of an asset over its entire life including Capital Expenditure, Maintenance Expenditure 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

Newcastle City Council will adopt an asset management planning approach for the management of infrastructure assets in line with HMEP Highway Infrastructure Asset Management Guidance Document including the application of whole of life cycle cost analysis

1. Asset Planning

- Prior to acceptance, proposed Capital and Development Work projects shall be subjected to technical and financial life cost evaluation and prioritised using predetermined criteria developed to contribute to the goals of the Council policies, including the Newcastle Plan, Budget Proposals, Newcastle Core Strategy and Urban Core Plan and the Highway Asset Management Plan.
- The focus of the asset management planning and strategy will ensure that we deliver on the four priorities
 - Working City
 - Decent Neighbourhoods
 - Tackling Inequalities
 - Fit for Purpose Council
- Predictive modelling will be used to develop and implement preventative maintenance programmes where appropriate to ensure lowest net life cycle costs.

1. Community Expectations

- Infrastructure services will be regularly reviewed to ascertain the community level of service expectations.
- Newcastle City Council will seek and value community input regarding desirable infrastructure before projects are commissioned.
- Newcastle City Council will regularly review its asset inventory and identify opportunities for rationalisation in line with community expectations.

2. Risk Assessment and Management

- Newcastle City Council will maintain a program of regular inspections of assets to minimise risk to the community.
- Newcastle City Council will maintain and regularly review a Highway Asset risk register, that will identify the risks associated with the Council's Road infrastructures and record the controls in place to manage them

3. Asset Accounting

- Newcastle City Council will maintain asset registers to the level of detail required to meet the requirements of the CIPFA Transport Infrastructure Asset Code.
- Useful lives shall be determined and given to each asset group/type or component based on past experience and current benchmarked standards.
- Annual Depreciation costs will be calculated using a method set out in the transport asset valuation procedure and reported annually with gross replacement and depreciated replacement cost figures.

4. Budget Allocation

- Newcastle City Council budgets for Highways including the funding for maintenance, operation and improvement shall be guided by the Council's Highways Asset Management Plan.
- The allocation of budgets will be reviewed annually taking into account the status of each asset and the level of service achieved in the preceding year(s) shown in the annual status and options report.
- A rolling 5 year programme of proposed Capital Works will be maintained linked to the Highway Asset Management Plan and long term financial plans.

5. Highway Asset Management Plan

- Newcastle City Council will develop a 5 Year Highway Asset Management Plan covering all the Councils Highway Assets including carriageways, footways, street lights, structures, traffic signals, highway green spaces, trees, street furniture, public transport infrastructure and other transportation assets. The plan shall be reviewed annually and revised as necessary if there are significant material changes to the plan.
- The Asset Management Plan shall define the management strategies to be adopted throughout the life cycle of the assets.
- The Highway Asset Management Plan sets out for asset group/type
 - Predicted future changes in demand
 - Levels of service required
 - The investment required in the maintenance, renewal and replacement of assets required to meet the levels of service
 - Methods of performance monitoring and appraisal.
 - Financial projections
 - Life Cycle Plans
 - The risks associated with the plan

6. Highway Maintenance Operations Manual

- The council will maintain a manual detailing how highway maintenance is carried out.
- The manual defines service standards, key performance indicators and how and when we:
 - Inspect
 - Categorise and prioritise reactive repairs
 - Assess condition
 - Identify and prioritise assets/sites for renewals

- Select the materials used
- Prepare works programmes
- Procure and manage works
- Record and report costs
- Records and respond to customer enquiries/complaints

7. Data Management Plan

- The council will maintain a record of the data held about each of the asset groups that makes up the highway asset.
- The council will identify how and when this data is updated, verified and validated.

8. Network Management Plan

- The council will produce a plan which sets out the strategic approach to managing and developing the highway network to enable consistent, predictable and reliable journeys for the movements of people and transport.
- The plan will establish how we tackle congestion, environmental pollution and improves safety and accessibility for all road users.
- The implementation of this plan will ensure that we have a transport system that is fit for purpose both now and in the future.

9. Winter Maintenance Plan

- The Council will develop a policy document setting out the ways in which winter services will be undertaken on the highway network.
- The council will develop an operational manual which will detail the working practices associated with the delivery of winter services.

10. Skid Resistance Policy

The Council will support a policy to maintain an appropriate level of skid resistance on roads and manage the associated risks

11. Reporting

- Newcastle City Council will prepare an annual status and options report that summarises
 - o The status of each asset group in terms of its inventory and condition and the councils ability to meet its reactive repair standards
 - o The result of the previous year's investment in terms of meeting the target service standards and key performance indicators.
 - o The options available for the future in term of both short and long term predictions of levels of defects and condition the can be afforded for different budget levels
- When the annual budget is set any amendment to the service standards specified in the Highway maintenance Operations Manual will be made and an updated asset management plan published.

12. 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.
- Allocate budgets to achieve the set levels of service and maintenance activities.
- To ensure appropriate resources for Asset Management activities are made available.

Corporate Management 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.

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 Improvement programs in accordance with Asset Management Plan and budgets
- To deliver set levels of service to agreed risk standards and within allocated budgets.
- To present information to the Council, Chief Executive Officer and Director Management Team in terms of levels of service and investment options
- To seek community feedback on proposed levels of service and budget allocations.

Asset Management Working Group

- An Asset Management working group will be established to assist and have input to 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.

REVIEW DATE

Annual review