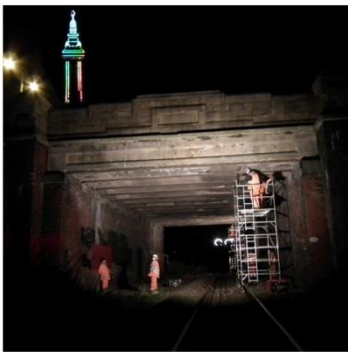


Road Asset Management Strategy 2015-2045 Executive Summary

Blackpool Council



Blackpool Road Asset Management Strategy

Blackpool Road Asset Management Strategy

Executive Summary

1. Introduction

1.1 What is the Road Asset Management Strategy?

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

1.2 It describes how the Council will meet the many long term challenges that it faces in delivering a highway maintenance service with fewer resources and growing economic and environmental risks. It also provides a 'line of sight' to ensure that our highway maintenance service supports the long term aspirations of the Council as laid out in the Council Plan and demonstrates how we are listening and responding to the views of residents and businesses in Blackpool.

1.3 The 5 documents that comprise the RAMS are:

Part 1 Introduction

Part 2 Policy and Principles

Part 3 Core Objectives and Strategy

Part 4 Asset Investment Strategies

Part 5 Prioritisation Framework

1.2 What are Blackpool's road assets?

1.2 Blackpool's road infrastructure assets include:

- 529km of carriageways and 1056km of footways (next to the carriageway)
- 27 bridges
- 16km of safety barriers and guardrails, 5,907 traffic signs, 539 bus stops and 242 bus shelters

Street lights and traffic control systems are managed under a Private Finance Initiative and are not directly addressed in this edition of the RAMS. The Council is mindful of the need to consider the long term financial implications of reacquiring these assets at the end of the 25 year term in 2035.

1.3 Why do we need a Road Asset Management Strategy?

1.3.1 Challenges and risks

We are entering a period of unprecedented challenges and uncertainty: continued and dramatic reductions in funding from Central Government; global trends that are pushing up construction prices far beyond inflation and an ever growing threat from climate change that is testing the resilience of our road network to the full.

A long term and strategic approach is vital to meeting these challenges by guiding our investments and engagement with Research and Development to identify new and creative solutions.

Blackpool Road Asset Management Strategy

1.3.2 National Policy

Central Government is strongly recommending that all Local Highway Authorities adopt asset management strategies for their road networks.

Over the period 2015-2021 Central Government has introduced a financial incentive mechanism which is designed to encourage Local Authorities to adopt asset management strategies and other efficiency measures. Local Authorities that fail to demonstrate continuous improvement in asset management will lose up to 15% of their capital allocation by as early as 2018/19 and up to 21% by 2020/21.

We therefore aim to secure the full amount of our capital allocation over this period to maximise the benefits for our customers and ensure a sustainable level of service.

1.4 Blackpool's Road Asset Management Framework

Part 1 of the RAMS provides a framework which describes the various pieces of the Road Asset Management 'jigsaw' and how they fit together including the various RAMS documents as well as other plans and programmes that cascade from the RAMS. It also describes the particular questions that need to be answered at various stages from strategy development through to the delivery of the service on the ground and how they are answered.

At the end of Part 1 there is an action plan that clarifies the level of completion of the various parts of the framework and the actions needed to complete them.

2 Policy and principles

Part 2 of the RAMS is a short document that sets out the overarching policy principles that will guide the development and delivery of the RAMS and subsequent plans and programmes.

Page 1 demonstrates the close links between the RAMS and the aspirations within the Blackpool Council Plan.

Page 2 of the document contains the set of 10 guiding principles that the Council will adhere to through its asset management approach.

3 Core objectives and strategy

The Core Objectives and Strategy identifies the high level objectives for the RAMS and the overarching strategic actions considering in turn the context of demands, challenges, legal requirements, national and local policy drivers and the financial outlook.

Where we are now

Section 3.3.1 considers our recent history of increased investment through Project 30 and our current structures programme which has addressed a significant backlog of critical maintenance. In this context our priority now is to move to a strong preventative strategy that will enable the Council to sustain the benefits of these investments at lower cost.

What our customers are saying

Section 3.3.2 presents the results of an annual survey of our customers' views on the Council's highway and transport services through the National Highways and Transportation Survey, NHT. Since 2010 the NHT surveys have consistently shown that Blackpool's residents

Blackpool Road Asset Management Strategy

regard the condition of our road infrastructure as both the most important aspect of the Council's transport services and the most in need of improvement.

Challenges and risks

Section 3.3.4 highlights two key long term risks faced by the service, namely climate change and construction price inflation.

With respect to climate change a number of recommendations are made to improve the resilience of our roads infrastructure to extreme weather including the development of a local or regional contingency fund to address major infrastructure emergencies.

In relation to construction price inflation it is highlighted in Section 3.3.4 that without major changes in practices and use of materials for maintenance over the next 10 years our purchasing power for every £1 spent will reduce by 20% relative to other areas of the economy. When accounting for actual budgets over the next spending review period Section 3.7 highlights that our purchasing power in 2020 will have reduced by between 50-60% compared to 2011. This is unsustainable and it is a specific challenge for the RAMS to seek alternative and creative solutions that will address this long term trend.

Legal requirements and policy drivers

Sections 3.4, 3.5 and 3.6 set out the context of legal requirements, national policy drivers and clarifies the contributions of the RAMS to other key Council policies and those of its partners.

Financial outlook

Section 3.7 considers the availability of budgets to address these demands and challenges over the next 5 years. A budget forecast for Maintenance Capital, Integrated Transport Block Capital and available Revenue is provided in Tables 3.7.1, 3.7.2 and 3.7.3 respectively, taking into account repayments on borrowing for Project30.

An important trend highlighted here is that since 2010 and the outset of Project 30 there have been dramatic reductions in Central Government maintenance capital that could not have been foreseen at the time. It is concluded in Section 3.7 that it is unlikely that the network can now be sustained with remaining maintenance capital and that, in line with the recommendation in Section 3.3.2, options should be considered for use of Integrated Transport Block funding to ensure the continued integrity of the network.

Core objectives

Section 3.8 then summarises 12 high level objectives (in Table 3.8) that reflect the evidence presented in the preceding sections and provide a clear reference point for development of investment strategies and our approach to risk management and prioritisation of physical works.

These objectives are categorised in 3 different priority levels that reflect how we will respond to differing levels of budget availability as follows:

Priority 1 Objectives that meet our legal requirements for safety and civil resilience

Priority 2 Objectives that *contribute* to meeting other legal requirements

Priority 3 Objectives that *contribute* to wider corporate priorities

Blackpool Road Asset Management Strategy

Finally Section 3.9 lists the strategic risks associated with the core objectives.

4 Asset Investment Strategies

Part 4 sets out the investment strategies for each asset type, namely:

Section 4.2 Carriageways

Section 4.3 Footways

Section 4.4 Structures

Section 4.5 Drainage

Section 4.6 Other assets (including safety barriers and signs)

Against each asset type evidence is presented of the benefits and costs of different options for investment in relation to the Core Objectives in Part 3 and a preferred option identified. In this edition of the RAMS only detailed information for Carriageways is presented with basic financial information against the other asset types. Actions to develop this evidence for all asset types along with timescales are included in the text and summarised in the action plan at the end of Part 1.

Annex 4.1 at the end of Part 4 provides a summary of the financial forecast for the period 2015-2021 including a total of **£14.5M** of capital and **£2.5M** of revenue expenditure allowing for repayments for borrowing.

The capital forecast includes a **£9.4M** of additional grant funding for structures maintenance from the Lancashire Local Enterprise Partnership and DfT Challenge Fund. The structures programme also includes **£1.8M** of Integrated Transport Block funding pledged as match funding for the Challenge Fund bid.

Conclusion and recommendation

It is essential that the Carriageway Asset Investment Strategy continues to target the residential roads, particularly in the areas where the highest number of claims are received. This will, in conjunction with the additional risk management activities, assist in the reduction of the number and cost of tripping claims. It is also essential that any savings are ring-fenced and re-invested into highway maintenance, which was part of the agreed Project 30 repayment financial model.

This is important as the Carriageway Asset Investment Strategy includes a requirement for an additional **£0.5M. In order to achieve greater flexibility to respond to our customers' demands it is proposed that on the Strategic Route Network, (main roads) opportunities will be explored to achieve further cost savings through the combined use of surface dressing with reinforcing membranes that provide a long term solution in many situations where resurfacing might have been the only other option. This also presents opportunities for cross-boundary co-ordination with Lancashire County Council's surface dressing programmes that could yield further significant cost savings. In this way we can ensure that additional funding is available to address maintenance needs on the road network.**

Another key highlight is that **£0.1M** per annum is allocated for lifecycle maintenance of critical drainage assets. This figure will be revised following further development of the Drainage Asset Investment Strategy.

Blackpool Road Asset Management Strategy

Annex 4.1 also includes information on the identified shortfalls in capital and revenue funding. These relate to cyclical inspection and routine and reactive maintenance of bridges, safety barriers and signs. The need to implement a regime of inspections to bridges is highlighted as a high priority and requires additional work to develop a cost model.

Conclusion and recommendation

This stresses the importance of utilising any savings made in respect of tripping claims, thus reducing the liability for highway services, is re-invested into highway maintenance. This funding can then be directed towards the respective road networks and or resourcing of highway inspections.

5 Prioritisation Framework

Whilst Part 4 considers the investment requirements for each asset type, Part 5 sets out how the Council will prioritise proposals for physical works on the road network as an important element of the Council's asset management approach.

A two tiered process will be used for prioritising forward works programmes to ensure that the best outcomes can be achieved across all the RAMS objectives without losing sight of the need to manage the most critical network risks. This is done by addressing critical risks first (e.g. flooding due to a collapsed drainage pipe) in the Tier 1 of the programme and then prioritising the remainder of programme options according to value for money and the contribution to the Core Objectives in Tier 2.

The overall process is summarised in Figure 5.4 (p3 of Part 5).

Tier 1 programme proposals

Tier 1 of the programme contains proposals that address critical risks associated with asset failure.

As part of this process the Council has defined a Resilient Network which is explained in Section 5.5. The Resilient Network contains the routes that are critical for the functioning of the town, the safety of its residents, businesses and visitors and the long term economic prospects of the town and the region. These routes are listed in Annex 5.2. Any maintenance options that mitigate or reduce risks of asset failures on the Resilient Network will be prioritised as part of Tier 1. Key to this is the use of preventative maintenance operations that will avoid the need for more costly and disruptive interventions in the medium term.

However, Tier 1 also addresses more dispersed risks that may have localised but nonetheless severe consequences (such as road traffic accidents). The process for assessing risks is explained in Section 5.9 (pp4-5 of Part 5) and is designed to be consistent with the Corporate Risk Assessment approach. However, it also enables alignment with the risk assessment approach adopted by the Local Resilience Forum.

Tier 2 programme proposals

Tier 2 of the programme contains other scheme proposals that are not identified as significant risks. These schemes are prioritised according to the added value that they provide against the Core Strategy Objectives in Part 3. The Tier 2 process is explained in 5.11 (pp5-6 of Part 5).