

Wokingham Borough Council Highways Asset Management Policy

In order to engage with senior decision makers within the Council, Wokingham Borough Council's Asset Management Team has developed an Asset Management Policy that confirms the Council's commitment to highway asset management, and links the maintenance functions to the Council's strategic priorities. The policy is a concise document to be approved by the relevant committee and published on the Council's internal and external websites.

What is asset management?

The Institute of Asset Management (IAM) has defined the core elements or landscape of asset management as in the diagram below, which shows clearly that asset knowledge and information underpin effective asset management.

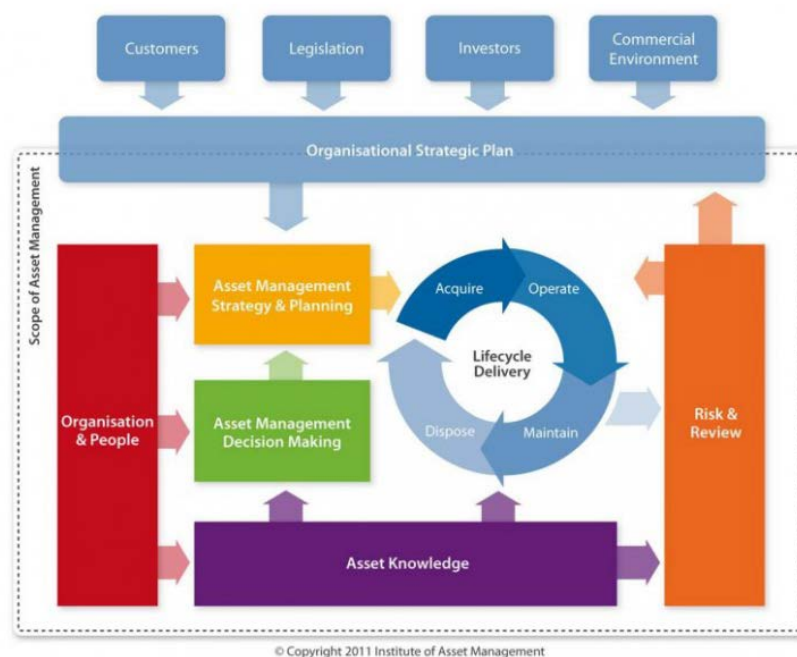


Figure 1: IAM concept model design

Wokingham Highway Asset Management Policy

The Wokingham Highway Asset Management Policy (HAMP) is supported by the Wokingham Highway Asset Management Strategy and is one of the key strategic documents related to the delivery of the Council's highway and transport services.

The successful use of asset management principles can demonstrate benefits in terms of financial efficiencies, improved accountability and stewardship of the asset; further, they can demonstrate better value for money and improved customer service. We are now reviewing and aligning our Asset Management Plan to better reflect this approach.

We recognise the importance of a strong link between policy and strategy, and their alignment to Wokingham's vision and corporate objectives. Our Transport Asset Management Plan was first written in 2008 and asset management principles underpin our contract with our alliance partners. We recognise that efficiently managed assets play a significant role in achieving corporate goals and meeting partner and stakeholders' expectations.

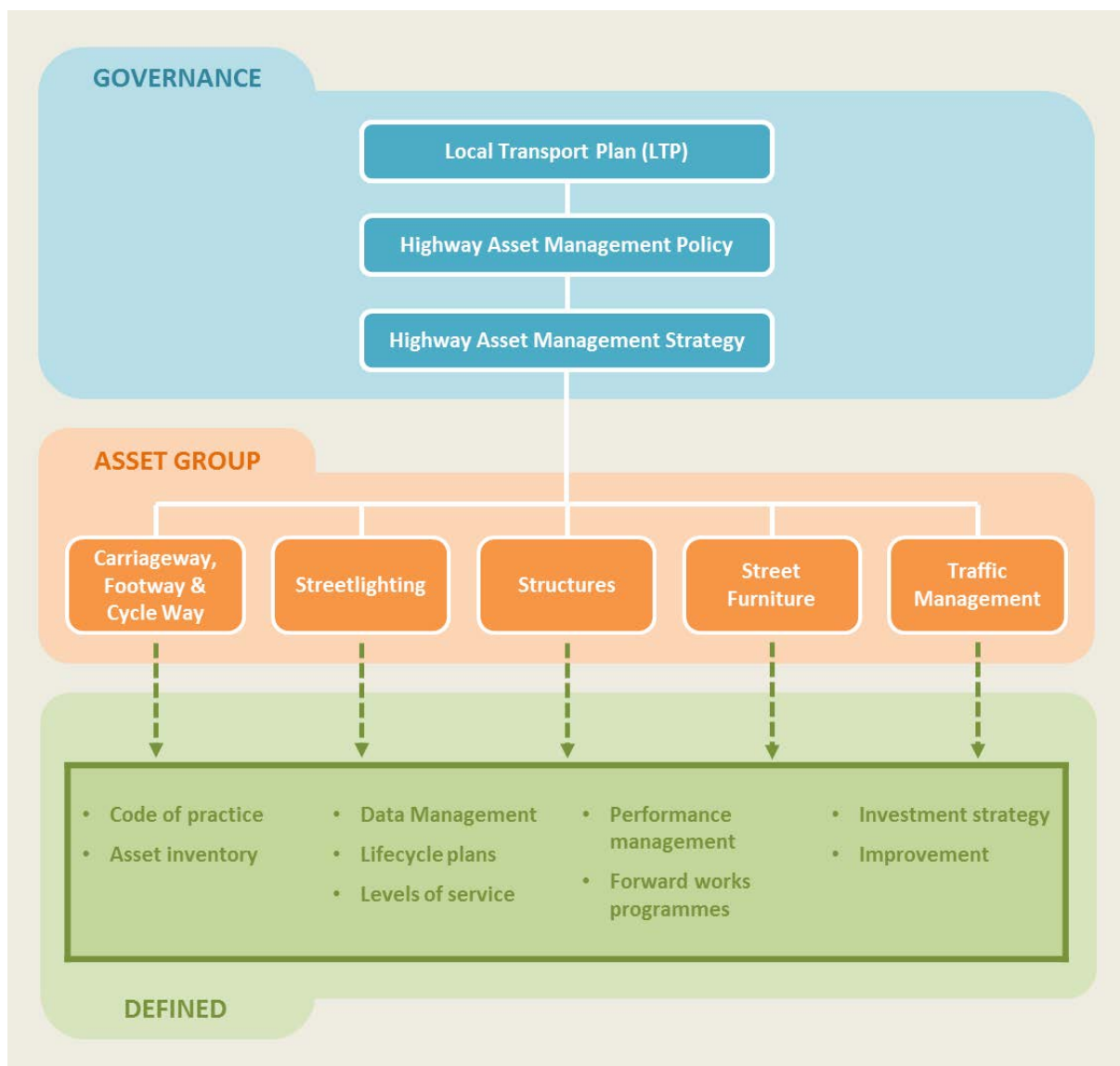


Figure 2: Wokingham highway asset management structure

Wokingham's Highway Asset Management Strategy sets out how its Highway Asset Management Policy is to be achieved. In particular it describes how Wokingham is working towards implementing an asset management approach to the management of the Council's highway infrastructure. It provides the framework for delivering its corporate priorities through effective, informed and defensible decision making.

In order to embed and promote asset management practices, we are setting up an organisational structure that reflects the importance of asset management in the delivery of highway and transport services. A key function of the asset management process is to understand the spending needs of each asset group, component and activity against performance, aims and objectives. This means understanding funding needs to meet:

- LTP objectives;
- Statutory obligations;
- Delivery planning; and
- Performance targets.

Inherent to this process is a need to understand the influence of budget decision making on stakeholder satisfaction and delivery of corporate priorities.

Our Corporate Vision:

"A great place to live, an even better place to do business"

The borough is recognised as a desirable place to live having been considered the 2nd least deprived local authority by the Index of Multiple Deprivation (IMD) 2015. We aim to maintain this, whilst improving the quality of life for our residents to ensure that the benefits of living within the borough are felt by all. (Council Plan update April 2016)

Our Council Values:

"Offer excellent value for your council tax"

"Deliver quality in all that we do, including the statutory services for which we are responsible"

LTP3 Transport Vision:

"To provide a cost-effective, inclusive transport network that enhances the economic, social and environmental prospects of the Borough whilst promoting the safety, health and wellbeing of those that use it."

LTP3 Highways Goal:

"To have a resilient, safe highway network that balances capacity for all users, enhances the economic prospects of the Borough, and promotes sustainable travel."

The benefits to Wokingham of implementing the Asset Management Strategy are:

- Context and priority: alignment with corporate aims and objectives, engaging in greater strategic assessment and better use of resources, ensuring resources are used effectively;
- Planning and performance: encouraging engagement with the majority of stakeholders resulting in a better understanding of their aspirations, developing and communicating a clear and structured approach to network and asset management;
- Present and future demand: improved delivery within budget constraints and better ways of doing things. Responding to the growth in development and understanding the implications of changes in demand on existing and aging assets. Maintain highway safety by complying with statutory duties and obligations; and
- Delivery: being able to respond to unexpected changes to the network, whether these are challenges to resilience or financial challenges. Increase sustainability and reduce environmental impact, monitor asset management practices and ensure that there is continuous improvement.

Strategic tools

We aim to develop strategic tools to progress, improve, regularly review and provide feedback into our HAMP. An asset information and data strategy, lifecycle plans, risk management strategies, communication plans, levels of service and performance plans all need to be developed to effectively manage our critical assets. These tools will help determine the spending needs for each asset group, efficiently manage risks and performance, whilst taking the opinion of stakeholders into account.

Whole of Government Accounting

HM Treasury and the Chartered Institute for Public Finance and Accountancy (CIPFA) will be incorporating our infrastructure asset valuations into Local Authority Corporate Accounts. In addition, the combined figures will be reported and auditable along with the whole of this Council's submission from 2016-17, so accuracy is important. Our annual valuations will be as outlined in the CIPFA Code of Practice on Transport Infrastructure Assets (2013 Edition). We are taking steps to ensure that our data is in line with the recommendations of this code, that it is robust and reliable, and that we have sufficient information to be confident of our valuations.

A dry run exercise was undertaken in 2015-16. We are continually learning from this process and improving the accuracy of our valuation figures. The 2016-17 valuation will provide central Government with a clearer picture of the size and costs of the whole country's highway infrastructure and will provide a true reflection of each authority's financial position. It is a statutory requirement to provide this information. We will engage with our auditors and engage in discussions with external auditors and CIPFA to ensure that we are robust in our reporting.

Embedding Asset Management

Stakeholder workshops demonstrate support for and understanding of asset management and endorsement of an asset management approach. The next step will be embedding asset management within Council processes. To further this aim, regular feedback will be provided on current and future demands, risks, performance, future plans, future funding requirements and the overall benefits being realised by asset management implementation.

All schemes must contribute towards or be assessed by asset management principles and demonstrate that sound judgement has been applied.

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