



Asset Management Case Study

Local Authority	Hertfordshire County Council
Region	East of England
Sector	Highways
Theme	Highways Asset Management
Benefits	External validation of the asset management approach and the ability to reinforce the concept and to introduce it to new stakeholders. Contribution to development of national asset management guidance.
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Key Lessons

- The principles of asset management need continual reinforcement, even after 10 years of implementation, to remind existing stakeholders, avoid pressures to revert to traditional methods and to introduce to new stakeholders, eg new elected members.
- Credible asset management provides the ability to strike the right balance between localism and county wide strategy.
- It takes time to collect asset management data, introduce the necessary cultural change and to build credibility.
- External validation of Hertfordshire's asset management approach has proved valuable in reinforcing political support, giving pride to elected members and staff, and in briefing new elected members.

Summary

Hertfordshire has been a leading council in the development of asset management for several years but there are still challenges to the deterioration modelling-led approach to maintenance planning. The Element 2 success has provided external validation of asset management which has been particularly useful in reinforcing the approach and in briefing new stakeholders, especially elected members.

Hertfordshire continues to provide national leadership in asset management, in particular through its development and experience of deterioration modelling and using this to develop works programmes. Hertfordshire's methodology has influenced the new CIPFA financial reporting code in the area of carriageway depreciation and its work on footways is likely to help provide support for the Code.

Hertfordshire is also undertaking trials of automatic recording of condition data on secondary roads and finding innovative ways to improve traffic data on secondary roads.

Background

Hertfordshire was one of the first local authorities to introduce asset management into highways and published its first highways asset management plan in 2002. It continues to invest significantly in asset management expertise, systems, inventory and condition data and has developed a sophisticated, deterioration modelling led, optimised approach to works programming.

The asset management approach to works programmes has significant political support. Hertfordshire is continually seeking improved ways of delivering services and value for money and continues to trial and develop new aspects of asset management.

Drivers for Change

The main driver for change in Hertfordshire is the desire to achieve continuously improving value for money through developing and improving asset management.

Improvement Action

Hertfordshire's 'Element 2' submission to DfT describes in detail its methodology and success in using extensive data and sophisticated deterioration modelling to make investment decisions on the highway, see [www.helg.org/asset management](http://www.helg.org/asset%20management). Reward funding of £ 500,000 was achieved.

The 'Element 1 and 2' funds were combined into a fund of £875k. The Hertfordshire Transport Asset Management Plan (TAMP) had identified the need to improve the condition of the street lighting asset and £220k was used to improve lighting data, take specialist advice and develop a business case for PFI. The balance of funding was used to increase the size of the 2010/11 programme of planned carriageway maintenance in accordance with the established asset management approach to works programming.

Since the submission Hertfordshire has nearly completed a refresh of its existing and development of some new highway management documentation that sits beneath its published TAMP. The suite of documents includes a Maintenance Manual, an Inspection Manual and life cycle plans for most asset groups.

Development of a new approach to footway lifecycle planning is underway. This is identifying the factors that influence deterioration and will introduce a new, impairment factor-led, approach, to footway maintenance.

Traffic is a key data set for asset management, but few traffic counts are available on secondary roads and the cost of regular collection is not seen as value for money. An average traffic flow estimate based on road hierarchy has been used previously, but this is now being refined by overlaying the road hierarchy on detailed land use maps. This enables the traffic estimate to be refined, eg bus routes and industrial areas will take heavier traffic than residential roads at the same level of hierarchy.

Condition data on unclassified roads is being collected on a trial basis using a vehicle based 'Mini Scanner' and compared with standard course visual inspection (CVI) survey results. Reasonable comparability is being achieved, but further development is required to achieve repeatability, especially crack identification and edge deterioration.

Barriers

Despite 10 years of implementation and refinement, there are still tensions between the deterioration modelling led approach to planned maintenance programmes and local pressures to deliver particular schemes. There are always new stakeholders, eg new elected members, and it is necessary to continually explain and to reinforce the basic principles and avoid being sidetracked away from asset management principles.

Challenges

There is a continuing move to localism and local decision making which is sometimes at odds with strategic, asset management-based works programmes. The challenge is to engage and empower elected members and local communities in an efficient manner while retaining an appropriate focus on long-term objectives and value for money. Hertfordshire has introduced discretionary budgets for individual elected members to allow them to commission some local priority works alongside the main planned works programme. This aims to meet members' aspirations without compromising the overall asset strategies.

Outcomes

A significant outcome of success in the 'Element 2' competition was external validation of Hertfordshire's approach to asset management. This has reinforced political support for the processes, given increased authority to the Asset Management Plan and to asset management related decisions and is a source of pride to members and staff. The reward funds provided significant visible support.

Hertfordshire's main champion role has been and continues to be its contribution to developing national asset management guidance and tools. In particular, Hertfordshire's Highways Asset Manager now chairs the national Highways Asset Management Financial Information Group (HAMFIG). HAMFIG has supported development of the new CIPFA Code of Practice on Transport Infrastructure Assets: Financial Management and Reporting, and will continue to support development of updates and the phased implementation of planned new tools. The Code uses Hertfordshire's carriageway deterioration modelling approach to derive depreciated replacement cost, a new and key aspect of the new approach to accounting. This is now included as part of the annual health check for commercial pavement management systems complying to UKPMS, which are used by all highway authorities.

Hertfordshire continues to share its experiences at national seminars and at events such as the CIPFA Highways Asset Management network and Element 2 conferences. Regionally it works with the East of England Highways Maintenance Group, the East of England Highways Valuation Group and the South East Highways asset Management Group. Hertfordshire has also appeared as expert witness at two councils elected member scrutiny panels.

Hertfordshire is considering establishing a series of 1,3 or 6 day training workshops within the Eastern region, possibly part accredited by the Institute of Highway Engineers. It is also considering extending a seminar to introduce Hertfordshire's new guidance documents to its own staff with additional asset management sessions which would be open to others within the Eastern region.

Contact Details

Chris Allen-Smith t: 01707 356573
 e: chris.allen-smith@hertshighways.org.uk