Notice of Non-key Executive Decision

Subject Heading:	Procurement of Highways Asset Management Plan Contract
Decision Maker:	Imran Kazalbash Director of Environment
Cabinet Member:	Cllr. Alex Sibley **Highways**
ELT Lead:	Neil Stubbings Strategic Director of Place
Report Author and contact details:	James O Regan Highways and Traffic Manager James.ORegan@havering.gov.uk
Policy context:	Havering Highways Maintenance Plan, December 2024
Financial summary:	The total cost of £0.09m will be met through Capital Code C41000.
Relevant Overview & Scrutiny Sub Committee:	Place
Is this decision exempt from being called-in?	Yes – Non Key

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents	X
Place - A great place to live, work and enjoy	X
Resources - A well run Council that delivers for People and Place	X

Non-key Executive Decision

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

To seek approval to initiate a competitive tender exercise to procure specialist consultancy support to develop a comprehensive Highways Asset Management Plan (HAMP) for the Authority at an estimated value of £75,000 – £90,000 as set out in this report.

AUTHORITY UNDER WHICH DECISION IS MADE

Scheme of Delegation

Scheme 3.3.1 General Provision

5. Sub-delegations

5.1 The Chief Officers may delegate any of the powers listed in this part to another Officer, in so far as is legally permissible. Such delegation will specify whether the Officer is permitted to make further sub-delegations. Any such delegation or sub-delegation must be:

(a) recorded in writing; and
(b) lodged with the Monitoring Officer who will keep a public record of all such delegations.

Any such delegation / sub-delegation will become valid only when these conditions are complied with.

The Strategic Director is a Chief Officer as defined in Part 3.3 of the Scheme of Delegations and has delegated his authority to the Director of Environment.

STATEMENT OF THE REASONS FOR THE DECISION

1. Background

The Authority is responsible for maintaining a significant highway asset comprising carriageways, footways, structures, drainage, lighting, and associated infrastructure. These assets underpin economic activity, connectivity, and public safety.
Current national guidance, including the UK Roads Liaison Group (UKRLG) Code of Practice: “Well-managed Highway Infrastructure”, promotes a structured asset management approach that is:

Risk-based

Data-led
Focused on lifecycle planning
Aligned with whole-life cost principles

While elements of asset management are currently in place, the Authority does not have a fully developed and integrated Highways Asset Management Plan aligned with best practice.

2. Rationale for Procurement

Developing a comprehensive HAMP requires specialist expertise, modelling capability, and industry benchmarking that is not fully available in-house.

2.1 Key Drivers

There is a requirement to align with national best practice and DfT expectations including qualification for DfT Incentive Funding. Qualification for incentive funding specifically requires the production of a Highways Asset Management Plan and without this document the authority will miss out on £0.6m of DfT incentive funding. Additionally there is also a need for robust lifecycle modelling and investment planning. The production of a HAMP will strengthen the Authority's position in funding bids in light of increasing financial pressures and asset deterioration. The document will also provide a defensible, risk-based maintenance approach.

2.2 Benefits of External Support

There are a number of benefits of utilising external support. Access to specialist asset management expertise and the use of proven methodologies and tools are two key benefits. The application of independent validation of current practices, accelerated delivery timescales as well as knowledge transfer to internal teams should be noted. A HAMP will allow for better communication to residents on our approach to managing highway assets and also a better understanding of asset condition and investment need over the long term. Additionally a more data led programming maximising impact of investment and prolonging life of asset. Other key benefits also include adopting a more data led decision making approach, as well as a reduction over the long term of revenue maintenance demand due to targeted planned works delivery and network condition etc (providing capital programme remains in place).

3. Scope of the Commission

The appointed consultant will be required to:

- Develop a clear, proportionate, and practical Highways Asset Management Plan
- Improve understanding of asset condition, performance, risk, and value – Particularly in relation to the management of footways, carriageways and street lighting stock.
- Support medium- and long-term investment planning – Particularly in relation to the management of footways, carriageways and street lighting stock.
- Embed consistent, risk-based decision-making

- Build in-house asset management capability through targeted officer training
- Enable ownership, ongoing use, and refresh of the HAMP by Authority officers

4. Procurement Approach

It is proposed that procurement is undertaken via a mini competition tender process using the Council’s Constellia framework. A number of specialist suitable suppliers have been identified and will be directly invited to tender. However, the tender exercise is open to all suppliers on the Constellia framework.

4.1 Evaluation Criteria

Submissions will be evaluated using the following weightings advised by the Council’s procurement service:

60% price
30% quality
10% social value

Quality assessments will be made by reviewing:
Technical capability and methodology
Relevant experience and track record
Understanding of local authority asset management
Quality of proposed approach

5. Estimated Cost

The anticipated cost of the commission is in the range of:
£75,000 – £90,000 (subject to procurement outcomes and scope refinement).

The commission will be funded through the Council’s current Highways Investment Programme Capital Budget.

6. Recommendation

It is recommended that:

Approval is given for the progression to a tender exercise to procure consultancy support for the development of a Highways Asset Management Plan

7. Conclusion

The HAMP will establish a long-term, evidence-based approach to managing the highway asset and support improved investment decisions, risk management, and service delivery.

Commissioning a Highways Asset Management Plan is a critical step toward modernising the Authority’s highway service. Procuring specialist support will ensure the Plan is robust, aligned with best practice, and capable of driving long-term efficiencies and improved service outcomes.

OTHER OPTIONS CONSIDERED AND REJECTED

1. Do Nothing

This option was considered and rejected. Failure to proceed presents risks including:

Continued inefficiencies in investment decisions
Increased long-term maintenance costs
Reduced ability to secure external funding
Higher legal and reputational risk
Failure to qualify for £0.6m of DfT Incentive Funding

PRE-DECISION CONSULTATION

No external consultation has been conducted and is not required.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: James O Regan

Designation: Highways and Traffic Manager

Signature: Date:

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The Council has a general power of competence under Section 1 of the Localism Act 2011 to do anything an individual can do, subject to any statutory constraints on the Council's powers. None of the constraints on the Council's Section 1 power are engaged by this decision.

The Council also has the power to procure the contract under Section 111 of the Local Government Act 1972 which permits the Council to do anything which is calculated to facilitate, or is conducive or incidental to, the discharge of any of its functions.

The Council's contract with Constellia Limited was procured through the Eastern Shires Purchasing Organisation (ESPO) MSTAR4 framework. The contract enables the Council to commission work to be carried out through work orders as proposed in this report
For the reasons set out in this report, the Council may commence the procurement.

FINANCIAL IMPLICATIONS AND RISKS

HUMAN RESOURCES IMPLICATIONS AND RISKS **(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)**

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

BACKGROUND PAPERS
None.

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

<u>Non-key Executive Decision</u>

Proposal agreed

Proposal NOT agreed because

Details of decision maker

Signed

Name:

Cabinet Portfolio held:
CMT Member title:
Head of Service title
Other manager title:

Date:

Lodging this notice

The signed decision notice must be delivered to Committee Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on ____

Signed ____