

Rebuilding the foundation

ASSET MANAGEMENT

the key to infrastructure investment

MHA+ Highways Asset Management SIG Meeting
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- Announced last week – Highway Maintenance Funding Incentive Requirements:

| Requirement | Weighting | Reporting timeline |
|--|--|---|
| 1: Publication of a highways maintenance transparency report for 2026 to 2027 | All incentive funding will be withheld if a report is not published. If a report is published, this will unlock 50% of your incentive funding | The department will publish updated transparency report guidance and a template later in the spring and authorities will then have 3 months to publish their 2026 to 2027 reports |
| 2: Spending all of DfT's highways maintenance funding on highways maintenance | 25% of your incentive funding (subject to a transparency report also being published) | To be demonstrated within your 2026 to 2027 highways maintenance transparency report |
| 3: Publication of an updated highways asset management policy and strategy | 12.5% of your incentive funding (subject to a transparency report also being published) | To be demonstrated within your 2026 to 2027 highways maintenance transparency report |
| 4: Demonstration of continued professional learning | 12.5% of your incentive funding (subject to a transparency report also being published) | To be demonstrated to DfT via email by 30 November 2026 |

DfT Transparency Reports – Forget Them!

- Asset management is how we make best use of scarce money:
 - ✓ More efficient and effective use of resources
 - ✓ Move from reactive fixes to planned outcomes
 - ✓ Balance cost, risk and performance across the whole network
 - ✓ Give confidence to members, auditors, and the public
 - ✓ Make decisions transparent and repeatable

My simple view:

Deliver asset management = successful incentive fund

What Does Asset Management Look Like?

- Institute of Asset Management box of capabilities because members across all industry's developed their capabilities **'beyond compliance'**.
- But in 2008 a report by Atkins reported that highway authorities needed something more specific – so HMEP was born.



Figure 4: The IAM's 10-box Capabilities Model

| Asset management questions | | | | | | | | Resilience questions | | |
|--------------------------------------|----------------|----------------------------------|---------------------------------------|-----------------------|---|----------------------------|-----------------|----------------------|-----------------------------|---|
| Asset Management Policy and Strategy | Communications | Performance Management Framework | Asset Data Management | Lifecycle Planning | Leadership and Commitment | Competencies and Training | Risk Management | Resilient Network | Implemented Potholes Review | Implemented the Drainage Guidance |
| Customer questions | | | Benchmarking and efficiency questions | | Operational service delivery questions | | | | | |
| Satisfaction | Feedback | Information | Benchmarking | Efficiency Monitoring | Periodic Review of Operational Service Delivery | Supply Chain Collaboration | Lean Reviews | Works Programming | Collaborative Working | Procuring External Highway Maintenance Services |

| Sustainability | |
|----------------|--------------|
| Carbon | Biodiversity |

| Asset management questions | | | | | | | |
|--------------------------------------|----------------|----------------------------------|-----------------------|--------------------|---------------------------|---------------------------|-----------------|
| Asset Management Policy and Strategy | Communications | Performance Management Framework | Asset Data Management | Lifecycle Planning | Leadership and Commitment | Competencies and Training | Risk Management |

- **Asset Management Policy And Strategy** – Updated last 24 months – does it include digital, climate resilience or innovation
- **Communication** – Comms strategy in place? Lessons learnt incorporated?
- **Performance Management Framework** – This regularly reviewed? Investment level required for 3/5 year period?
- **Asset Data Management** – Data Management Strategy – Funded data collection strategy?
- **Lifecycle planning** – For all assets?
- **Leadership and governance** – Asset Management reviews – evidence of regular meetings? Support Asset Management?
- **Competencies and Training** – UKRLG Asset Management Competence Framework (2019)
- **Risk Management** – Are current and future risks are systematically identified, documented and mitigated

| Resilience questions | | |
|----------------------|-----------------------------|-----------------------------------|
| Resilient Network | Implemented Potholes Review | Implemented the Drainage Guidance |

- **Resilient Network** – When was it last reviewed – in line with Hugh Deemings lessons learned report
- **Implemented Potholes Review** – 2012, whilst outdated – its not irrelevant?
- **Implemented Drainage Guidance** – 2012, whilst outdated – its not irrelevant?

| Customer questions | | |
|--------------------|----------|-------------|
| Satisfaction | Feedback | Information |

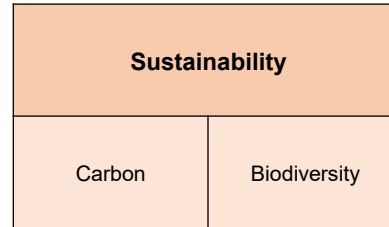
- As we all know, expectations from customers and members are higher than ever. We live in an environment where people want information and results immediately.
- At the same time, the political landscape continues to shift rapidly.
- The Department for Transport is increasingly focused on ensuring that technical issues are communicated in ways the public can easily understand.
- How do we utilise customer satisfaction, feedback – can we use AI?

| Benchmarking and efficiency questions | |
|---------------------------------------|-----------------------|
| Benchmarking | Efficiency Monitoring |

- **Benchmarking** – How are we benchmarking and working together? Benchmarking club – are we still doing this?
- **Efficiency Monitoring** – Are we still tracking efficiency – CQC approach through NHT?

| Operational service delivery questions | | | | | |
|---|----------------------------|--------------|-------------------|-----------------------|---|
| Periodic Review of Operational Service Delivery | Supply Chain Collaboration | Lean Reviews | Works Programming | Collaborative Working | Procuring External Highway Maintenance Services |

- **Periodic Review of Operational Service Delivery** – Are people still undertaking peer review? Have we seen measurable improvements
- **Supply Chain Collaboration** – Accreditation to BSI 11000 – how are we better collaborating
- **Lean Reviews** – Lean review? Have we identified the benefits from the last time?
- **Works Programming** – Do we have a 2 year programme with an indicative 3-5 year programme?
- **Collaborative Working** – Are we measuring outcomes from collaborative working?
- **Procuring External Highway Maintenance Services** – To reflect new procurement act?



- **Carbon** – How are we measuring – are you signed up to the carbon leadership programme – have you engaged with industry initiatives such as live labs?
- **Biodiversity** – Are plans developed to support biodiversity?

- **Better decisions** – long-term, evidence-based investment choices rather than reactive “worst-first” fixes
- **Better value for money** – lower whole-life costs through preventative, planned maintenance
- **A more resilient network** – risks, critical assets and climate impacts identified and managed
- **Clear service offer** – agreed, affordable levels of service that can be explained and defended
- **Stronger funding case** – robust, transparent evidence for budgets and investment bids
- **Greater trust and accountability** – clearer governance, auditability and stakeholder confidence

..... **And an easy transparency report to write.**

From Compliance to Culture: Finding the Middle Ground for Highways Asset Management

- Create a lighter-touch incentive model that encourages leadership behaviours and asset management outcomes
- Focus on evidence-based, cross-asset, lifecycle thinking rather than box-ticking.
- Use the workshop to crowd source practical ideas and co-design a collaborative, sector-owned solution.
- DfT will be attending as well

DfT Transparency Reports are changing. Don't neglect your asset management! Be prepared!