

Argyll and Bute Council

Scrutiny Report

September 2019

DRAFT

Roads Resurfacing

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1. Executive Summary

Introduction

1. As part of the Argyll and Bute Council (the Council) 2018/19 scrutiny plan, approved by the Audit and Scrutiny Committee in June 2018, we have undertaken a scrutiny review of the Council's approach to roads resurfacing.
2. Throughout the report reference to 'the Panel' refers to the independent chair and two elected members who conducted this review. They were:
 - Martin Caldwell (Chair)
 - Councillor Freeman
 - Councillor Trail
3. The panel was supported by council officers and relevant external parties who gave willingly of their time to help deliver the review. We would like to extend our appreciation for the cooperation and assistance received from all witnesses invited to provide evidence over the course of the review.

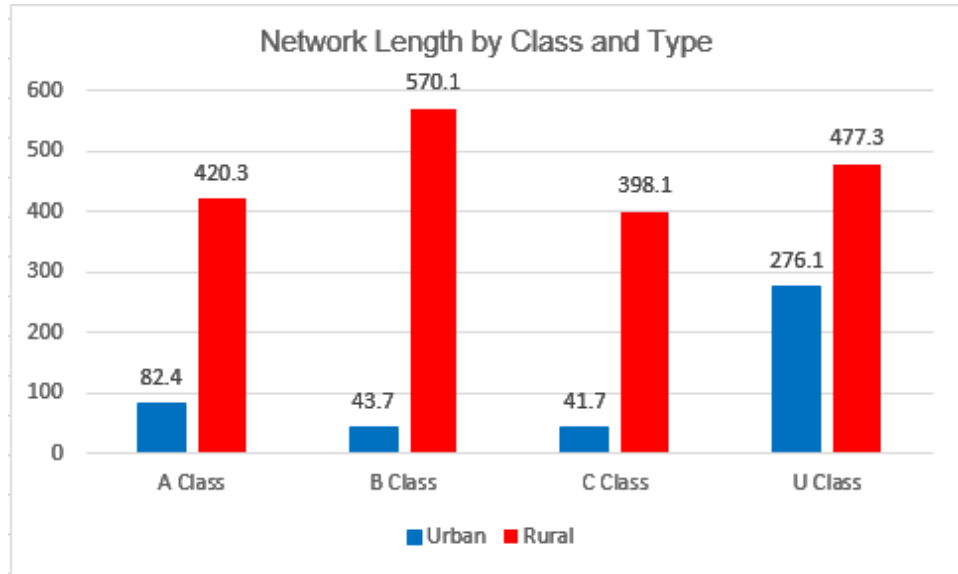
Objectives

4. The agreed objectives of the scrutiny review were to:
 - analyse the effectiveness and appropriateness of focusing expenditure on roads classified as 'amber' rather than 'red' in improving the overall RCI score
 - ensure the Council assesses the effectiveness of different surface treatment options including consideration of value for money and life cycle costs
 - consider alternative approaches to road maintenance
 - identify how the Council prioritises the allocation of revenue/capital roads budget and whether any additional factors or models should be considered.

Background

5. Roads resurfacing was chosen for inclusion in our scrutiny priorities for 2018/19 in light of queries regarding whether the Council is prioritising maintenance of roads in an amber condition over red, whether other types of road surfacing or technical approaches should be considered and whether additional technical data and alternative approaches to decision making could be used to prioritise work.
6. Argyll and Bute is a vast geographical area resulting in the road network being the largest asset the Council is responsible for. It is used daily by residents and businesses and is fundamental to the social, economic and environmental wellbeing of the community. Maintaining roads is vital for road users ensuring safe travel and network availability. It is therefore vital that this asset is well managed and maintained within designated budgets. The Council is responsible for 2,311 km of roads with nearly one third of this network consisting of unclassified roads and over 80% in rural areas as detailed in exhibit 1.

Exhibit 1 – Analysis of Argyll and Bute Roads



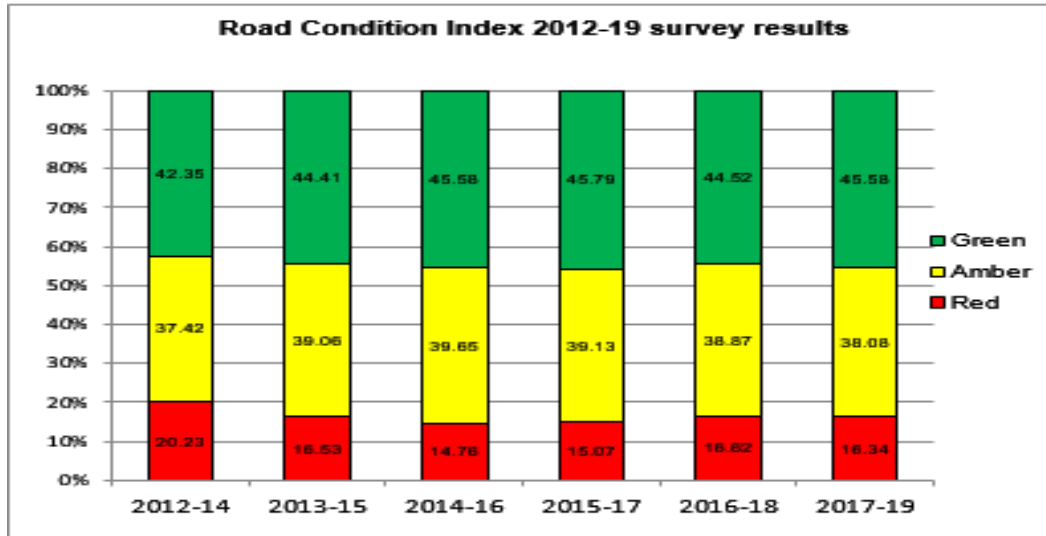
7. Road condition is measured by the Scottish Road Maintenance Condition Survey (SRMCS) which provides an indication of the residual life of the road based on parameters such as surface texture, cracking, smoothness and rutting. The Road Condition Index (RCI) values for each 10m length of road can be summed to determine the overall percentage of the 10m lengths within the network falling into one of three categories. These are set out in exhibit 2.

Exhibit 2 – RCI Categories

Category	Definition	RCI
GREEN	Carriageway is generally in a good state of repair	Less than 40
AMBER	Some deterioration which should be investigated to determine the optimum time for planned maintenance treatment.	Between 40 and 100
RED	Poor overall condition, likely to require planned maintenance soon (i.e. within a year or so) on a "worst first" basis.	Greater than 100

8. On an annual basis the Council's Annual Status and Options Report (ASOR) is presented to the Environment, Development & Infrastructure (EDI) Committee. It summarises the Council's road assets including information on the condition of the asset and future options which can be considered in terms of investment. The 2018 ASOR, presented to the EDI Committee in December 2018, indicates that the Council's RCI is the poorest of the eight family group for rural authorities. It does, however, show that in the previous year, the percentage of roads assessed as red in Argyll and Bute has decreased marginally from 16.62% to 16.34%, with a similar improvement in amber roads from 38.87% to 38.08% and a minor deterioration in green roads from 44.52% to 45.58%. This is shown in exhibit 3.

Exhibit 3 – Argyll and Bute RCI 2012-2019



9. 23% of the Council's roads are constructed on peat, thus incurring greater construction and maintenance costs and may require restrictions on the weight of vehicles using the road.
10. Road treatments techniques vary and include:

Reconstruction - This is the most expensive treatment. Normally a last resort when the road surface and underlying layers have deteriorated to a very advanced stage. Repairs may involve a deep excavation, and replacement of the sub-base stone layer in addition to the upper bituminous layers. Reconstruction is often carried out in locations where the road has not been built to a design but evolved from a cart track. Localised areas are strengthened by excavating soft weak material and replacing with crushed stone and bituminous material which can better distribute the weight to the ground below.

Plane and inlay - This is a common treatment used when only the road surface has deteriorated beyond repair. The surface layer is mechanically removed to a typical depth of 45mm, a tack coat is then applied followed by a new surface.

Overlay - As long as existing levels are suitable it is sometimes possible to apply a new surface course directly on top of the existing one, with minimal or no patching. This technique provides an improved depth of bound surfacing and can be more cost effective.

Repave - This is a hot recycling process where the existing surface course is heated then scored to a depth of approximately 30mm. A thin layer of hot asphalt is then applied over the reheated surface. This achieves a strong bond with the old surface and reduces cost due to reduced material usage.

Re-tread - Re-tread is used as an alternative to full reconstruction where the cost is high and the road is only used lightly. The process involves breaking up and regrading the existing bound material, adding bitumen where required, followed by dressing the top surface with a layer of bitumen emulsion and small chippings.

Microsurfacing – Microsurfacing is a cost effective solution for resurfacing roads showing the early signs of wear and tear which fills in all the cracks, potholes and voids in the carriageway to improve skid resistance and seal the road preventing water ingress thus extending its life.

Surface dressing - This is the application of a bitumen emulsion followed by chipping with a dry, clean stone. Sometimes this is done in two or three layers. Surface dressing is an effective technique for sealing the road surface and improving the surface texture and skid resistance of a road. It is considered to be cost effective and the process is quick so traffic can use it soon after laying.

11. Surfacing materials vary greatly and include, chipped hot rolled asphalt, high stone content asphalt and thin surface courses. Trials are underway by other authorities and private companies in the use of a new bitumen material specially designed to withstand the extremes of weather often experienced within Scotland. This material incorporates the use of plastic pellets made from recycled waste to provide flexibility for expansion and contraction.
12. The Council's Roads Asset Management Plan sets out the revenue and capital budgets predicted for the next three years based on current budgets plus any savings likely to be applied during the budget setting process. The allocation of the budgets to the four Council administrative areas is based on formulas originally agreed in 1996 by the Council's Roads and Transport committee and reaffirmed in 2006. The allocations are detailed in Exhibit 4.

Exhibit 4 – Area Based Allocations

Area	MAKI	OL&I	B&C	H&L	TOTAL
Revenue Funding % Allocation	30	30	23	17	100
Capital Roads funding % Allocation	31	35	20	14	100
Capital Footway % Allocation	18	15.3	33	33.7	100

Scrutiny Initiation Briefing – 11 December 2018

13. In December scrutiny officers circulated a briefing to the panel which provided background on roads resurfacing. Afterwards the panel met to agree the objectives set out in paragraph 4 and identify invitees to give evidence at a series of panels.
14. The scrutiny panel agreed that they should meet with the groups detailed in exhibit 5, who could aid their appreciation and understanding of the subject matter.

Exhibit 5 – Scrutiny Panels

Evidence Panel	Key Areas for Discussion
Other Councils <ul style="list-style-type: none"> • Ayrshire Roads Alliance (ARA) • Highland Council • Fife Council 	<ul style="list-style-type: none"> • Approach to 'red', 'amber' and 'green' roads. • Allocation and prioritisation of road revenue and capital budgets. • Assessment of road treatment options. • Joint working. • Feedback on pilots for alternative methodologies.
External Bodies <ul style="list-style-type: none"> • Hillhouse Group • Macrebur • Colas • Kiely Bros • BEAR Scotland • Transport Scotland • The Improvement Service 	<ul style="list-style-type: none"> • Effectiveness and pros/cons of different road treatment options. • Economies of scale when programming major works. • Joint working. • Alternative methodologies.
Council Officers	<ul style="list-style-type: none"> • Allocation and prioritisation of road revenue and capital

<ul style="list-style-type: none"> • Head of Roads and Amenity Services • Technical Officers (X2) 	<p>budgets including approach to red, amber and green roads.</p> <ul style="list-style-type: none"> • Developing scheme of works • Joint working.
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2. Panel Meetings

Theme One – Allocation of budgets and approach to red, amber and green roads

15. The key messages from theme one are set out in Exhibit 6.

Exhibit 6 – Theme One – Key Messages

Topic	Detail
Red, Amber and Green	<p>RCI is calculated through a national approach to scanning class A roads annually, class B and C roads every two years and unclassified roads on a ten year cyclical basis. The Council have a separate contract with Western Detail Manufacturing (WDM) to carry out a full network survey every four years which provides extra intelligence on network condition thus enabling better asset management over a longer period of time. This is considered necessary for the Council due to the volume of roads in Argyll and Bute which are unclassified.</p> <p>The RCI scanner considers 32 different attributes. The condition of the Council's network can be marked down where roads are peat based as they can move by as much as a metre and gaps that appear in summer cannot be filled as they would expand and buckle in winter due to the behaviour of the peat base.</p> <p>There was a consensus amongst the panels that focusing expenditure on amber roads, at the expense of red roads, to improve RCI score, is not the best course of action. However it is good practice to address faults prior to roads deteriorating excessively so there will be a need to invest in amber roads whilst there are also red roads needing attention. The Council Officer panel confirmed that the Council do not prioritise amber roads over red as a matter of routine or policy.</p> <p>When determining a programme of works RCI is just one variable in the decision making process. There are many other factors considered such as projected deterioration, traffic volume and type, route and particular location issues, possible road treatment, life expectancy etc. Road defects are categorised and weightings are applied to allow the WDM scheme manager facility to prioritise schemes. This provides a starting point for the operations team who then apply engineering judgement and local knowledge with a focus on reducing the whole life costs and providing better value for money.</p> <p>It was clear from all the panel meetings that whilst, it is important to use various sources of data to help inform a programme of works, the application of professional engineering judgement or 'eyes on the ground' is a key element in the decision making process.</p> <p>Conclusion</p>

	<p>The Panel were satisfied that the Council's approach to determining programmes of works for red, amber and green roads was appropriate and consistent with the approaches taken by other road authorities. In particular the Panel were content that red roads were not being neglected in order to focus on amber roads primarily to improve the overall RCI score. There is a recognition that spending money on amber roads can be a more cost effective approach as it avoids more substantial expenditure when the road deteriorates to red condition.</p>
Budget Allocation	<p>There are different ways that a council's overall roads maintenance budget can be allocated.</p> <p>Fife Council, who previously allocated their capital budget based on population, traffic volume and carriageway length, now focus primarily on an allocation based on the RCI score. This created some difficulties politically as the change in approach resulted in some areas having a material increase and others a material decrease in funding.</p> <p>The ARA allocate their funding on a needs basis which is more akin to treating the assets on a council wide basis rather than allocating the budget to areas before determining what to spend it on in each area.</p> <p>Highland Council use results of the SRMCS to distribute the capital budget to each of their eight areas with local prioritisation based on engineering assessment and committee approval.</p> <p>The Council's revenue allocation is calculated using road length and population with a multiplier built in of 1.2 for road length and 0.026 for population. The road length takes into consideration the full network including carriageway, footway, verge, footpath and associated assets such as signs, drains etc. There is no allowance made in the formula for costs associated with logistics for transporting materials and equipment to remote mainland locations or islands. There is less information available to support the mechanism behind the capital allocation formula. It is assumed to have been based on the revenue formula but with road condition factored in to provide an element of allocation based on need. The allocations are set out in exhibit 4.</p> <p>There is no definitive right way to allocate the revenue or capital roads budget. There are pros and cons to any approach. The Panel discussed this at the Council Officer Panel and were content that, whilst there could be different ways to determine how the available funds could be allocated, it is unlikely that replacing the Council's current approach would make a material difference to how effectively the overall budgets were spent. Refocusing investment from one area over another would simply mean the area with reduced investment would require more investment in a future year due to its roads deteriorating more rapidly.</p> <p>The Panel did note that there are specific financial challenges and pressures when carrying out road maintenance in the most remote areas and, in particular islands, due to the costs of transportation and accommodation. This</p>

	<p>is particularly relevant during the peak tourist season which is when the majority of road maintenance work is carried out (due to the weather) but also when ferries and accommodation are at peak demand. These pressures have been further exacerbated by the implementation of the road equivalent tariff (RET) for domestic vehicles which has made island tourism more attractive. RET is not available to commercial vehicles. These additional cost factors are not considered when determining the allocation formula.</p> <p>Conclusion</p> <p>The Panel were satisfied that the Council’s approach to allocating the revenue and capital budgets across the four administrative areas is a reasonable one. Whilst other approaches are available the Panel does not feel adopting an alternative would result in an improved overall service. However the Panel did conclude that it can be significantly more expensive to undertake roads maintenance work on islands and some very remote areas and consideration should be given to applying a weighting to factor this in when determining the allocation of annual budgets.</p>
Code of Practice	<p>A new code of practice for roads maintenance operations provides categorisation of surface defects on a risk based approach and requires action to be taken within a specific number of days for each. Officers must be able to demonstrate any departure from the code of practice as necessary. The new code of practice is similar to what has been in place across west of Scotland authorities since 2016. This will provide a single approach across all 32 councils and allow comparisons to be made using the same basis for performance information. The necessary information to report against these defined targets is recorded in the WDM system however the Council’s performance management system (Pyramid) does not contain these defined categories and targets to allow for performance to be recorded and measured.</p> <p>Conclusion</p> <p>The Panel were satisfied that the new code of practice would not create any material issues for the Council as it predominantly reflects the Council’s current working practices. However to support the introduction of the new risk based approach to road defects it would be beneficial for the Council to record and measure performance against the defined categories of road defects.</p>

Theme Two – Assessment of Road Treatment Options

16. The key messages from this theme are set out in exhibit 7.

Exhibit 7 – Theme 2 – Key Messages

Topic	Detail
Scheme Selection	<p>In all the scrutiny panels the Panel explored the different methods adopted by other councils and external bodies to determine a scheme of works. Whilst there are some differences in approach it was clear that all the bodies have an approach which factor in a similar range of variables to produce a suggested scheme which is then refined through the application of professional</p>

	<p>judgement.</p> <p>For example BEAR and Transport Scotland work together to devise a programme of works based on a submission by BEAR of proposed areas for treatment after a network wide assessment is carried out. Transport Scotland use programming and guidance documents to score and rank schemes with weightings based on indicators to prioritise work, value for money, safety, journey time reliability and environmental sustainability. However ultimately it is still the engineers who decide what intervention is required and what options will be considered and priced.</p> <p>The Panel confirmed that the Council has adopted a scoring methodology to help determine a scheme of works and that the programme of works is determined by applying engineers inspection and judgement.</p> <p>Conclusion</p> <p>The Panel were satisfied that the Council has a robust approach to scheme development which utilises an appropriate balance of data and professional judgement to create a programme of works.</p>
Surface Dressing	<p>Surface dressing is heavily used by the Council (approximately 40% of roads budget is spent on it compared to 55% combined for overlay and inlay) and the Panel sought the views of attendees of all the scrutiny panels on the cost effectiveness of surface dressing when taking into account full life cycle costs.</p> <p>The consensus during all the scrutiny panel meetings was that, of the available road treatment options, surface dressing provides the greatest area of coverage in relation to cost. This does not necessarily mean surface dressing is always the most appropriate option as it will depend on the underlying condition of the carriageway. However when the conditions are appropriate then surface dressing provides the best value for money.</p> <p>The Panel also recognised that availability of funding is a key factor when determining interventions and in an ideal situation more robust treatments may be used in preference to surface dressing. However it is recognised that, even if there were no financial constraints, surface dressing still has an appropriate use as part of a whole life maintenance plan for roads.</p> <p>Conclusion</p> <p>The Panel were satisfied that the Council's preference for surface dressing, where appropriate, is supported by other industry experts. The Panel were also satisfied that, whilst surface dressing is the Council's most prominent treatment option it is not exclusively adopted and there is clear evidence that schemes of work are determined based on a robust methodology and an appreciation of available funding.</p>

Theme Three – Joint Working

17. The key messages from this theme are set out in exhibit 8.

Exhibit 8 – Theme 3 – Key Messages

Topic	Detail
Joint Working	<p>The Panel were keen to explore the amount of joint working being carried out between councils and also councils and operating companies.</p> <p>The ARA covers East and South Ayrshire Council, to provide a greater resource that allows bigger groups to work in each area and address issues more quickly, efficiently and effectively whilst making use of economies of scale. There is one management team with depots and equipment shared across both authorities. They have also undertaken some work for Connect Roads on the M77.</p> <p>The Council are members of the Northern Roads Collaboration (NRC) who currently share information but sharing of physical resources is more challenging due to geography. A contract is being put in place by the Council, which will be available for other councils in the NRC to use, for a Designated Person for work connected with the Port Marine Safety Code. The NRC is also actively progressing a piece of work which will allow better sharing of specialist design engineers across councils to improve resilience and capacity.</p> <p>Fife Council are part of the Edinburgh, Lothian Borders and Fife Roads Collaboration (ELBFRC). Similar to the NRC the ELBFRC benefit more from sharing of information rather than physical resource.</p> <p>The Council undertakes emergency response and winter maintenance for the A83 in partnership with Transport Scotland. The Council and BEAR work out of a joint depot in Campbeltown which is a good example of sharing space. The Council also lease a depot in Inveraray to BEAR and discussions are ongoing regarding provision of desk space at Kilmory.</p> <p>In relation to winter road maintenance the Council uses dry salt and BEAR use a mix of salt and brine. Both treatments produce the same result although the brine mix uses less salt. BEAR have indicated that brine stored at a depot in Inveraray is available for Council use should a trial be undertaken in the future. The vehicles currently in use by the Council are not suitable for this treatment but there could be an opportunity to trial it when current vehicles are due to be changed. This was discussed with relevant Council officers who confirmed they are aware of this option however it may not be appropriate to all areas of Argyll and Bute due to the climate. It works well in dry cold conditions but is less effective in cold wetter conditions.</p> <p>BEAR provided linkage to a road lining contractor to contact the Council when work was undertaken in the area, this allowed further work to be completed in the Cowal area. The Council is working with BEAR to obtain a single provider for road marking service, but this is proving difficult particularly in the more western areas.</p> <p>A new operating company is due to be appointed in two years' time. This may</p>

	<p>provide an opportunity for the Council to consider a joint delivery contract with other councils (possibly Highland Council) with scope for other rural authorities to join over time.</p> <p>Conclusion</p> <p>The Panel were satisfied that the Council is actively exploring opportunities for joint working and is actively engaged with the NRC.</p>
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Theme Four – Economies of Scale

18. The key messages from this theme are set out in exhibit 9.

Exhibit 9 – Theme Four – Key Messages

Topic	Detail
Budgets and decision making	<p>The Council are currently in year two of a two year capital allocation and have a budget strategy which provides indicative figures for the next three to four years but without any real certainty. Work is not committed in advance of the agreement of the Council's annual budget for the year ahead.</p> <p>During the panel discussions it was apparent that there could be benefits to both the Council and the Council's road contractors if the road budgets were known for a period longer than one year. This would facilitate more strategic decision making, provide for more effective planning with suppliers and hauliers and ultimately should provide greater value for money. It is recognised that there is a significant obstacle in terms of only receiving a one year settlement from the Scottish Government which creates difficulties in achieving long term planning.</p> <p>Knowing the level of investment the Council will make over a longer timeframe could also influence the treatments to be undertaken and the rates quoted by suppliers when tendering for work. Awarded contracts could be based on a schedule of rates even if the volume of work is not guaranteed.</p> <p>There is also potential to consider a framework contract across multiple authorities. For example a framework contract is in place for the three Ayrshire councils, Falkirk Council and West Lothian Council. A schedule of rates is updated twice a year with investment determined over each six month period allowing contractors to know where they need to be. This reduces procurement costs and helps quarries and manufacturers know how much material to produce and what resources are required.</p> <p>Conclusion</p> <p>The Panel concluded that there would be benefit in the Council committing to a level of roads expenditure in excess of one year to allow for more strategic planning of a roads maintenance programme. However the Panel also recognised the need for the Council to set an annual balanced budget and of the current uncertainty over future funding levels. Any medium to long term commitment needs to be made within this context.</p>

	The Panel further considered the potential benefits of entering into a multi authority framework however recognised there would be considerable complexities associated with this. The Panel concluded this may be an issue which could be considered by the NRC.
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Theme Five – Alternative Methodologies

19. The key messages from this theme are set out in exhibit 10.

Exhibit 10 – Theme Five – Key Messages

Topic	Detail
Macrebur	<p>Macrebur, a Dumfries and Galloway company, have developed a road surface material that incorporates waste plastic. In essence they make plastic pellets from selected recyclable waste plastic and the pellets are melted into the asphalt mix as part of the binding agent. The plastic used makes up approximately 0.5% of the total surfacing mixture.</p> <p>ARA are involved in a trial as are other councils in Scotland and England. The Department for Transport has been approached to provide funding to trial the product on motorways and trunk roads. Highways England is also to undertake a trial.</p> <p>Testing to date has been predominantly in a laboratory situation and this test data will be shared with all councils in Scotland. However there still needs to be live road testing carried out. The product has not been used in surface dressing so far. There is no evidence publicly available that confirms the product meets relevant British standards.</p> <p>Conclusion</p> <p>The Panel welcome any attempt which seeks to recycle waste in a cost effective manner however, at the current time, are of the view that there is currently insufficient data at to support a decision by the Council to make use of the product. As there are a number of trials already underway it would be appropriate to maintain a watching brief.</p>
Other Alternatives and Future Technologies	<p>During the panel sessions a number of other innovations were discussed including:</p> <ul style="list-style-type: none"> • Stone mastic asphalt (SMA) with a different binder to make it more like a stone mastic concrete which has a reduced material cost allowing more surface to be covered. • TS2010 (Transport Scotland’s SMA design) is a similar product in use for around eight years. It requires a smaller vehicle for delivery so less expensive and single lanes can be laid reducing need for road closures. • Crumb rubber from tyres has been used by Transport Scotland in asphalt reducing the bitumen content. • Recycled planings are used in lower levels of the carriageway and

	<p>cycle tracks. There is some debate over using it in surface layers. A working group is in place looking at insitu and exsitu recycling with a focus on tar products. Recycling more asphalt planings could reduce the amount of required aggregate.</p> <ul style="list-style-type: none"> • Hot boxes can be used to meet the challenge of working in very remote or island communities, they can also be used for lower temperature materials. • Jet patchers are also suitable to perform a quick fix, lorries are well insulated so materials stay hot for whole journey. This also allows for lower temperature materials to be utilised for longer periods. Jet patchers supersede use of hot box and cold mix supplies for patching and saves on labour and is better for health and safety. One man can address the safety defects while the remainder of the squad is utilised elsewhere on capital work. The Council currently operate two jet patchers. • Safety inspections are video recorded by Transport Scotland which highlight hazardous defects and link to maps making it easy to locate them. • Cameras mounted on council vehicles such as waste collection lorries can identify defects or confirm work has been completed. The footage can also be used to review where claims have been received. Video information is used by the WDM team for pre-work surveys but does not show fine detail. The Council are progressing talks with a supplier to establish feasibility of using bin lorry mounted cameras and associated use of Artificial Intelligence (AI) to analyse the data and direct engineers to areas highlighted for attention. • Members of the public can use apps to report defects and details are passed to the relevant Local Authority. <p>Conclusion</p> <p>The Panel were satisfied that the Council's officers are well informed of the various available options and are appropriately engaged with relevant stakeholders to ensure they are in a position to consider viable options when making decisions on approaches to road treatments. Furthermore it is clear that the Council continues to explore the use of technology to improve the way the service is delivered. This view was further reinforced by the representative of the Improvement Service who provided very positive feedback on the Council's approach to roads maintenance.</p>
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3. Overall Conclusion and Recommendations

20. The Panel has reached the overall conclusion that the Council's approach to roads maintenance is robust and is focused on delivering an effective service within the constraints of the available resources. Procedures are consistent with those adopted by other councils and culminate in a

programme of works which is supported by a methodology which draws upon an appropriate balance of pertinent data and professional judgement. Furthermore it is clear that the Council are actively engaged with relevant partners to identify innovative and more cost effective ways of delivering roads maintenance.

21. Based on the information obtained over the course of the review the panel has identified four recommendations as set out in exhibit 11.

Exhibit 11 – Recommendations

No	Finding	Recommendation
1	<p>Medium to Long Term Road Expenditure Commitment</p> <p>The Council are currently in year two of a two year capital allocation and have a budget strategy which provides indicative figures for the next three to four years but without any real certainty. Work is not committed in advance of the agreement of the Council's annual budget for the year ahead.</p>	<p>There would be benefits to both the Council and the Council's road contractors if road budgets were known for a period longer than one year. This would facilitate more strategic decision making, provide for more effective planning with suppliers and hauliers and provide greater value for money.</p>
2	<p>Multi Authority Framework</p> <p>There is a future potential to consider a framework contract across multiple authorities similar to that established between the three Ayrshire councils, Falkirk Council and West Lothian Council.</p>	<p>A multi authority framework would deliver economies of scale, reduce procurement costs and help quarries and manufacturers know how much material to produce and what resources are required. The Panel recognise there would be considerable complexities associated with this and consider it an issue which would merit consideration by the Northern Roads Collaboration.</p>
3	<p>Budget Allocation Formula</p> <p>There are specific financial challenges and pressures when carrying out road maintenance in the most remote areas and, in particular islands, due to the costs of transportation and accommodation. This is particularly relevant during the peak tourist season which is when the majority of road maintenance work is carried out. The allocation of the revenue and capital road budgets to the Council's four administrative areas doesn't consider these specific cost drivers which are unique to island locations and some very remote mainland locations.</p>	<p>An exercise should be carried out to model the impact that amending the budget allocation formula to reflect specific island/remote cost drivers would have. This should then be assessed to determine whether any change in allocation would result in funds not being allocated at a level proportionate to need.</p>
4	<p>Recording and Reporting Performance</p> <p>A new code of practice for roads maintenance operations provides categorisation of surface defects on a risk based approach and requires action to be taken within a specific number of days for each. Officers must be able to demonstrate any departure</p>	<p>Targets and performance data should be created and recorded in Pyramid.</p>

No	Finding	Recommendation
	<p>from the code of practice as necessary. The necessary information to report against these defined targets is recorded in the WDM system however the Council's performance management system (Pyramid) does not contain these defined categories and targets to allow for performance to be recorded and measured.</p>	