EAST AYRSHIRE COUNCIL

CABINET – 9 MARCH 2011

CONDITION OF THE ROAD NETWORK

Report by Depute Chief Executive/Executive Director of Neighbourhood Services

1. PURPOSE

1.1 The purpose of this report is to advise Cabinet on the report, 'State of the Scottish Road Network', published by the Society of Chief Officers of Transportation in Scotland (SCOTS) and in particular the results for East Ayrshire Council and the Audit Scotland report Maintaining Scotland's Roads: A Follow-up Report.

2. BACKGROUND

2.1 The transport infrastructure is one of the most valuable assets under the Council's control and is vital to the economic well being of East Ayrshire and contributes significantly to its economy and regeneration. There is growing concern throughout Scotland that these vital and valuable road assets may not be receiving the funding required to maintain them in an optimal state of repair and operation.

2.2 Scottish Road Maintenance Condition Survey (SRMCS) commissioned by SCOTS on behalf of all Local Authorities in Scotland began in 2002. The surveys cover all local authority A roads in both directions every two years, all B and C roads in both directions every four years and a 10% sample of unclassified roads in one direction every year. The results of the survey are used to classify the road network into one of three categories

- Green – roads are in a satisfactory condition
- Amber – roads requiring further investigation and/or monitoring.
- Red – roads where maintenance operations are likely to be required.

2.3 A Road Condition Index (RCI) is derived from two years survey data and includes both the red and amber categories. The RCI has been adopted as the Statutory Performance Indicator for the condition of the local road network and is defined as "the percentage of the road network which should be considered for maintenance treatment". An increase in the figure indicates deterioration in road condition

2.4 Using SRMCS information, SCOTS have previously conducted several exercises to put a financial value against the condition of the local roads network. In 2009, Scottish local authorities, through SCOTS, commissioned work from WDM Ltd,

that has produced the most comprehensive model yet, comparing expenditure against need and forecasting trends over the next 10 years.

2.5 The Scottish road network has a length of 51,769 km and a replacement value for the carriageway element of £25.6 billion. The total adopted road length within East Ayrshire is 1181km with a replacement value of £625M.

3. ROAD NETWORK CONDITION

3.1 Table 1 summarises the RCI results from the SRMCS over the last five years and the budget allocated to Carriageway Structural Maintenance.

Table 1: Road Condition Index 2005/06 – 2009/11

	2005/06	2006/07	2007/08	2007- 09	2008-10	2009-11
Scottish Average	35.9%	37.2%	37.4%	34.2%	36%	
East Ayrshire	43.2%	43.0%	43.5%	40.5%	40.1%	45.3%**
East Ayrshire Ranking	25	24	24	24	22	
	2005/06	**2006/07**	**2007/08**	**2008/09**	**2009/10**	**2010/11**
EAC Carriageway Structural Maintenance Budget	£1.023M	£1.822M*	£1.670M*	£1.935M	£2.093M	£4.255***

* Additional funding for road maintenance from Scottish Executive.
****** Full results not yet published.
*** Includes £2m approved by Council 11/02/10 for frost damage repairs

3.2 The general trend had shown a slight improvement in road condition within East Ayrshire over the last five years against a Scottish average that remained fairly constant. However the increase in the RCI for 2009-11 reflects the deterioration in the condition of the road network as a result of the impact of the severe winter weather of 2009/10.

3.3 Table 2 shows the breakdown of the 2009-11 Road Condition Index results by road classification and actual length of road with defects.

Table 2: Breakdown of Road Condition Index by Road Class

	Network	A Class	B Class	C Class	Unclass.
East Ayrshire	45.3%	38.9%	44.6%	49.0%	45.6%
Scottish Average	36.1%	29.6%	34.9%	33.2%	39.4%

3.4 It is recognised that the A class roads are critical to the transport network and it is proposed to allocate £1.2M to resurfacing 7.5km of these roads in the 2011-2012 Structural Maintenance Programme, as noted in the 2011/12 Programme for Carriageway and Footway Structural Maintenance and Street Lighting Works report to Cabinet on 9 March 2011.

4. CARRIAGEWAY MAINTENANCE BACKLOG

4.1 WDM Ltd, the company who are currently contracted to carry out the Scottish Roads Maintenance Condition Survey, were commissioned to create a financial model quantifying the backlog of road maintenance on the Scottish local authority road network. It is important to note that this relates only to structural maintenance of the road carriageway. The financial model considered four financial and condition scenarios.

4.2 SCENARIO 1 - HEADLINE BACKLOG BUDGET

The budget required to remove all road defects, no matter how slight, (Headline Backlog Budget) for East Ayrshire Council is £52.24M. This compares to the previously reported backlog figure of £25M (at 2003 prices). The headline backlog for all Scottish Local Authorities was calculated at £1.54 billion.

4.4 SCENARIO 2 - BUDGET TO MAINTAIN STEADY STATE FOR 10 YEARS

The total annual budget required to maintain East Ayrshire's roads in a steady state for the next 10 years (Steady State Budget) is £5M (excluding inflation). The previous reported backlog was £3M at 2003 prices. The 2011/12 budget for structural maintenance of carriageways at present is £2.26M (£1.76M capital plus £0.5M revenue) or 45% of the steady state budget, a short fall of £2.74M. The total budget for all 32 local authorities in 2009/10 for road maintenance was £122.5M or 73%, of the steady state budget, a shortfall of £45.1M

4.5 SCENARIO 3 - CONSEQUENCE IN TERMS OF THE NETWORK RCI OF CONTINUING TO ALLOCATE THE CURRENT BUDGET FOR CARRIAGEWAY MAINTENANCE

If the annual carriageway maintenance budget continued to be applied over the 10 year period the Road Condition Index for East Ayrshire would change by 20.8% from 40.5% to 61.3% thereby predicting a significant deterioration in road condition.

4.6 SCENARIO 4 – CONSEQUENCE IN TERMS OF THE NETWORK RCI, OF ALLOCATING THE CURRENT BUDGET LESS 10%.

With a 10% reduction in expenditure over the 10 years it is predicted that that the RCI will change by 21.7% from 40.5% to 62.2%.

4.7 The costs indicated in the above scenarios are based on past performance. Since 2009 the Roads Maintenance Unit has changed its delivery model and the status of Trading Unit has been removed. Schemes undertaken during 2010

have out-turned less than estimates. WDM will undertake a re-run of the backlog model in 2011 which will take into account the reduced unit costs.

5.0 NETWORK ASSET VALUE

5.1 As the condition of the road network changes, the value of the network will also change. The value of a new road is known as the gross asset value or gross replacement cost (GRC). The value of a road in service can be calculated by the GRC minus the accumulated depreciation or Depreciated Replacement Cost (DRC).

5.2 For East Ayrshire Council:

GRC = £625.3M
DRC = £551.4M

The proportion of depreciation due to the present network condition is 29.5%.

5.3 Over the 10 years considered in Scenario 3 the change in DRC for East Ayrshire Council is -£42.6M or 6.8% of the GRC. While there is a budget saving of £28.8M over the 10 years by not applying the steady state budget there is a significant change to the service level with a decline in road condition from 40.5% to 61.8%. In addition the value of the network has decreased by £42.6M. Therefore the net loss in asset value of £42.6M - £28.8M = £13.8M.

6. MAINTAINING SCOTLAND'S ROADS: A FOLLOW-UP REPORT

6.1 Audit Scotland have carried out a follow-up to its 2004 '*Maintaining Scotland's Roads'* report. The report examines progress against recommendations from their 2004 Maintaining Scotland's Roads report as well as looking at changes in the condition of the road network since 2004, what is currently being spent on road maintenance and how road maintenance is being managed. The information reported was collected between March 2010 and October 2010 and did not examine the impact of winter 2010/11 on road condition or road maintenance budgets.

6.2 A summary of the key messages in the report is given below.

- Despite high levels of overall spending on public spending on public services the condition of Scotland's roads worsened over the past six years. In 2010, only 63% of roads were in an acceptable condition and the cost of maintenance backlog increased to £2.25 billion, £1 billion more than in 2004.
- Limited progress has been made to improve road maintenance since last reported in 2004. While Councils are working together in a drive to be more

efficient, it is important that they all develop road asset management plans and generate more information on costs and performance.

- During financial year 2009/10 the Society of Chief Officers of Transportation in Scotland estimated that estimated that councils needed to spend an additional £45 million each year for the next decade to maintain roads in their existing condition.

Full details of the key messages are included in Appendix 1.

6.3 Audit Scotland reviewed their recommendations from their 2004 report and detailed their findings in the present report. East Ayrshire Council has been progressing these recommendations and details of the original recommendations, Audit Scotland's findings and East Ayrshire Council's progress against the recommendations are outlined in Appendix 2.

6.4 The report contains a number of recommendations for the Scottish Government, Transport Scotland and Councils and are detailed below.

- The Scottish Government should consider a national review on how the network is managed and maintained, with a view to stimulating service redesign and increasing the pace of examining the potential for shared services.

Transport Scotland and Councils should

- review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life.
- work together to consider all opportunities for achieving more with the resources currently available, by exploring new ways of working, such as service reconfiguration, pooling and flexible use of resources (including staff and machinery) and partnerships between councils and with the private sector.
- ensure that information on maintenance backlog and road condition is reported regularly to elected members and the public.

Councils should

- ensure they can demonstrate that the best use is being made of resources currently available, through benchmarking and improved performance management and reporting
- respond fully, as a matter of urgency, to the recommendations made in our 2004 report, and in particular ensure that:
  - all information is available to allow effective asset management to take place
  - a consistent way of costing total road maintenance backlog is used across all councils
  - they fully support SCOTS' road asset management project and have a road asset management plan in place no later than the end of 2011, with those councils that have still to develop adequate inventory and information systems doing so quickly in order to comply with this deadline

- they adopt the suite of performance indicators being developed by SCOTS as an important first step in allowing the relative performance of councils' road maintenance activities to be measured consistently
- they make greater efforts to benchmark road maintenance activities with other councils and the private sector in order to drive out cost inefficiencies
- they seek to develop a costed model for shared services.

6.5 An Action Plan has been compiled to address the recommendations above, identify progress to date and further action required. The Action Plan is attached at Appendix 3.

7. CONCLUSION

7.1 The State of the Scottish Road Network report identifies a cost of £52.24M to remove all the defects on the road network in East Ayrshire. It is recognised that it would not be cost effective to attempt to eliminate all defects and there will always be a level of maintenance requiring attention.

7.2 The investment required to maintain a steady state condition is estimated at £5M per annum. Therefore East Ayrshire Council's carriageway structural maintenance budget of £2.26M is 45% of that required to maintain the road network in the present state condition. If expenditure is maintained at the £2.26M level it is predicted that the condition of the network will significantly deteriorate.

7.3 The carriageway structural maintenance allocation in the 10 year Capital Investment Programme for Roads and Transportation increases incrementally over the remaining 8 years of the programme from £1.76M in 2011/12 to £2.625M in 2018/19. The recalculated average budget would be 53% of the steady state budget and therefore deterioration of the road condition will not be as great as predicted. The additional £2M allocated by Council in February 2010 and £1M approved by Council on 10 February 2011 to address the damage to the road network resulting from severe winter weather will assist in improving road condition.

7.4 The study predicts medium to long term decline in road condition within East Ayrshire and associated depreciation in asset value unless there is a significant increase in investment in road maintenance. It indicates that an annual budget of £5M for carriageway structural maintenance is required to maintain East Ayrshire's roads in their present condition and ensure there that there is not significant deterioration over the next ten years.

8. ACTIONS TO MANAGE ROAD CONDITION

8.1 While recognising the funding gap the Head of Roads and Transportation will continue to identify the most effective and efficient treatments for improving the

condition of the road network including the use of new and innovative techniques where appropriate such as the repave process recently completed on the A71.

8.2 The Head of Roads and Transportation has reviewed the Roads and Transportation ten year Capital Investment Programme and has identified the opportunity to realign £1M over the eight remaining years of the programme from footway structural maintenance, traffic and road safety, flood mitigation and contingency allocations to carriageway structural maintenance to assist in improving the condition of the road network. The total for carriageway structural maintenance will increase from £21.65M to £22.65M over the ten year programme. Details of revised Roads and Transportation Capital Investment Plan are attached at Appendix 4.

8.3 This additional investment will assist in reducing the funding gap between the existing structural maintenance budget and the calculated steady state budget. Taking account of the increasing expenditure detailed in paragraph 7.3 above this will now be 55% of the steady state budget. Programmes of work for footway structural maintenance, traffic and road safety and flood mitigation will be re-phased in light of the realigned budgets.

8.4 The ongoing development of the Roads Asset Management Plan (RAMP) is improving the knowledge of the state of the existing road network and developing tools to allow improved prioritisation of resources. At its meeting on 24 March 2010 Cabinet approved the new Scheme Ranking methodology which will be applied to future carriageway structural maintenance schemes, taking into account the road condition, the road hierarchy (importance of the route), types of usage and levels of complaint. The Society of Chief Officers for Transportation in Scotland's RAMP project, now into its third year, will assist in setting levels of service for the road network and will advise on the target percentage of each classification of road to be maintained in the green category for road condition.

8.5 Reductions in unit costs for carriageway structural maintenance have been realised as a result of changing the delivery model for the Roads Maintenance Unit. This will assist in closing the gap between the available budget and that required to maintain steady state.

9. LEGAL IMPLICATIONS

9.1 Roads (Scotland) Act 1984, Part 1, Section 1, requires a local roads authority to manage and maintain all such roads in their areas as are for the time being entered in a "list of public roads".

10. PERSONNEL IMPLICATIONS

10.1 Nil.

11. FINANCIAL IMPLICATIONS

11.1 The expected deterioration in road condition will result in additional costs for essential repairs to the road network which will have an impact on budgets. These include costs to reconstruct and resurface lengths of road, carry out patching and repair of potholes.

11.2 The proposed additional capital expenditure on carriageway structural maintenance will be contained within the £44M ten year capital investment programme for Roads and Transportation approved by Cabinet at its meeting of 11 February 2009

12. COMMUNITY PLAN / POLICY IMPLICATIONS

12.1 A well maintained road network will contribute to the aims of the Delivering Community Regeneration and Improving Community Safety Community Plan themes by providing good access to our communities and the wider road network and helping to reduce road accidents.

13. RISK MANAGEMENT IMPLICATIONS

13.1 Failure to invest in the road network will expose the Council to potential risks with regard to the deteriorating condition of the road network and will have a detrimental effect on the SPI for road condition.

14. RECOMMENDATIONS

14.1 It is recommended that Cabinet

i) note the actions of the Head of Roads and Transportation to maximise the use of the carriageway structural maintenance budget to improve to condition of the road network;

ii) approve the reallocation of £1M within the Roads and Transportation ten year capital investment programme to carriageway structural maintenance as detailed in paragraph 8.2.

iii) remit the Head of Roads and Transportation to continue to monitor road condition through the Road Condition Index, inspections and other performance information and provide update reports as required.

iv) approve the Maintaining Scotland's Roads action plan detailed at Appendix 3.

v) otherwise note the contents of this report

Elizabeth Morton
Depute Chief Executive/Executive Director of Neighbourhood Services

EM/JB
24 February 2011

LIST OF BACKGROUND PAPERS

**State of the Scottish Local Roads Network –
Report commissioned by Society of Chief Officers of Transportation in Scotland - April 2010**

**Maintaining Scotland's Roads – A follow –up report. February 2011
and available at Audit Scotland's web-site; http://www.audit-scotland.gov.uk**

For further information please contact John Bryson 0n 01563 576310

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LIST OF APPENDICES

Appendix 1 – Maintaining Scotland's Roads Follow-up Report Key Messages.
Appendix 2 – Audit Scotland Findings in Response to Their 2004 Maintaining Scotland's Roads Report and East Ayrshire Council's Progress on These Recommendations.
Appendix 3 – Audit Scotland Recommendations in their 2011 Report Maintaining Scotland's Roads – A Follow-Up Report and East Ayrshire Council's Progress on These Recommendations
Appendix 4 – Revised Roads and Transportation Capital Investment Plan.

APPENDIX 1: Key Messages from Maintaining Scotland's Roads: A Follow-up Report

	Key Messages		Key Messages
1	The proper maintenance of Scotland's roads is vital for economic prosperity and for the quality of life of its people. It is disappointing, therefore, that our findings show limited progress has been made to improve the situation since our report six years ago. For example, less than half of councils report their maintenance backlog to elected members and a third have still to develop road asset management plans. Appendix 1provides a detailed summary of progress against our 2004 recommendations.	4	SCOTS considers that present levels of spending are insufficient to maintain Scotland's roads, even in their current condition. After adjusting figures to take general inflation into account, the estimated cost of removing all network defects in Scotland, no matter how slight, has risen from £1.24 billion in 2004 to £2.25 billion in 2010. Moreover, the figures for the council-maintained road network do not include the cost of removing all defects in bridges, lighting and footways.
2	Despite public spending in Scotland rising by around 25 per cent since our last report, the condition of Scotland's roads has worsened and only 63 per cent are now in an acceptable condition. Trunk roads are in the best condition (78 per cent are in acceptable condition) while council-maintained unclassified roads are in the worst condition (only 58 per cent are in acceptable condition). Members of the public are increasingly dissatisfied with the way in which the road network is maintained	5	Transport Scotland estimates it would initially need to spend £275 million to achieve a 'steady state' for its roads, whereby a fixed percentage of the network requires structural maintenance each year. Councils estimate that to maintain roads in their current condition, they would need to spend £45 million more each year for the next ten years on long-term structural maintenance
3	There is scope to achieve greater value for money from existing expenditure. While a project exists to develop a suite of comprehensive performance indicators for use by all councils, this is still under development and councils do not routinely compare their costs and performance with other councils or the private sector to identify potential improvement. There is also no detailed costed model which would allow councils to measure the benefits of sharing services. While councils can point to several examples of joint or collaborative working taking place, Tayside Contracts remains the only example of a multi-council consortium being established to undertake road maintenance	6	During 2009/10, a total of £654 million was spent on road maintenance in Scotland; £162 million on trunk road maintenance; and £492 million on council-maintained roads. While this represents an increase in expenditure of five per cent compared to 2004/05 after taking account of general inflation, road construction inflation was considerably higher than general inflation over this time. This means that in purchasing terms, councils spent 13 per cent less and Transport Scotland spent 32 per cent less on road maintenance in 2009/10 than they did in 2004/05.
		7	This pattern of spending and scale of backlog means that the value of these public assets is not being sustained. By deferring essential expenditure on infrastructure, public bodies are storing up problems for the future and passing a greater burden on to generations to come.

Appendix 2 Audit Scotland Findings in Response to Their 2004 Maintaining Scotland's Roads Report and East Ayrshire Council's Progress on These Recommendations

	Audit Scotland 2004 Recommendations	Audit Scotland 2010 Findings	East Ayrshire Council Progress on the 2004 Recommendations
1	Councils should use the information from the *Scottish Road Maintenance Condition Survey* (SRMCS) to calculate the size of the structural maintenance backlog in their area using a commonly accepted methodology.	Using the results of the SRMCS, SCOTS commissioned consultants to estimate how much it would cost to remove all road defects (the 'headline' backlog). The cost, £1.54 billion, is an underestimate as it is based on 2008 condition data and only includes carriageways. It does not include other parts of the road network such as bridges, lighting and footways. A number of initiatives are currently under way to develop more consistent methodologies for costing the total backlog. (report paragraphs 25–27 and 35–39)	The backlog figure for East Ayrshire Council has been calculated as part of the SCOTS commissioned project and is estimated as £52.24M. East Ayrshire Council is working with the SCOTS group to develop consistent methodologies for costing total backlog including footways, bridges and street lighting.
2	Transport Scotland and councils should monitor and report publicly on the condition of their road network and their road maintenance backlog on an annual basis.	Transport Scotland partially reports condition in the Scottish Transport Statistics but does not report SCANNER road condition survey results or backlog. All councils report road condition to elected members and the public at least once a year but less than half report their road maintenance backlog. (report paragraphs 28–30)	Road Condition is reported to members annually as an SPI and these reports are available to the public. The backlog figure for the road network is included in this report to Cabinet on the Condition of the Road Network.
3	Councils should review their budget-setting process for road maintenance to ensure that an appropriate and cost-effective balance of expenditure between routine, winter and structural maintenance is achieved. Councils should review their capital expenditure on structural maintenance to ensure that it achieves value for money and meets the key principles of the Prudential Code. In particular, councils should conduct an option appraisal to fund road maintenance services.	Half of councils stated they had reviewed their budget-setting processes within the last five years and three-quarters reported they have changed the way in which budgets are allocated to the various categories of road maintenance activity. The main change reported by councils in relation to budget allocation was a shift to funding structural maintenance from capital rather than revenue budgets. This is likely to be because of constraints on revenue budgets together with new rules allowing councils more freedom in determining their capital spending and Prudential borrowing requirements. Taking inflation into account, revenue expenditure on structural maintenance fell from £102 million in 2002/03 to	Roads and Transportation revenue budget was reviewed as part of the SSRB1 exercise in 2007. Budget allocations to each maintenance activity are reviewed on an annual basis. Within East Ayrshire Structural maintenance is largely funded from capital. In February 2009 the Council approved a 10 year Roads and Transportation Capital Investment programme of £44M of which £21.18M was allocated to structural road maintenance. The allocation incrementally rose from

		£65 million in 2009/10. This was more than made up for by an increase in capital expenditure from £50 million to £110 million over the same period. (report paragraphs 40–45)	£1.675M in year 2009/10 to £2.75M in 2018/19.
4	Councils should consider whether their road maintenance service could be improved by entering into consortium arrangements to achieve economies of scale in road maintenance.	Although councils can point to several good examples of joint or collaborative working taking place, no more councils have entered into consortium arrangements with other councils. As was the case in 2004, the only council consortium arrangement existing is Tayside Contracts. However, a small number of councils are currently exploring alternative models of provision. (report paragraphs 76–82)	East Ayrshire Council has developed a number of shared service/joint working initiatives such as: - All Ayrshire Framework for Minor Civils works in collaboration with North and South Ayrshire Councils. - Winter weather forecasts and procurement of salt. - Procurement of road materials - Sharing of Jet Patching unit with North Ayrshire Council. Senior officers within the three Ayrshire Councils are undertaking a feasibility study for shared service arrangements.
5	All councils should review their performance against the Code of Practice for maintenance management in *Delivering Best Value in Highway Maintenance – Code of Practice for maintenance management* and take action to ensure they are complying fully with the Code. Councils should develop road maintenance strategies in the context of their transportation and roads asset management strategies. Councils should take into account the views of road users and the wider community in the development of road maintenance strategies. Councils should collect better inventory information about the assets they are managing including roads, bridges and street lighting.	All councils reported having in place plans or policies setting out their road maintenance activities. About half reported they have stand-alone longer-term road maintenance strategies or plans but these varied widely in quality, currency and titles given. The remainder incorporated their road maintenance strategy into a wider local transport strategy. However, half of local transport strategies provide only limited information on road maintenance. In 2008, SCOTS embarked on a four-year project to assist councils to prepare road asset management plans. SCOTS has reported that to date, around a third of councils have completed draft road asset management plans with another third being close to completing their plans. The remaining third of councils still have much to do. There has been some improvement in the development of up-to-date electronic inventories but many councils still do not have data on the condition of a number of common items required for asset management. Two councils report they have insufficient information on the condition of their	East Ayrshire Council include their Road Maintenance and Network Management strategies within the Local TransportStrategy. East Ayrshire Council participate in the SCOTS Road Asset Management (RAMP) project and completed a draft Road Asset Management Plan (RAMP) prior to the deadline in 2010. East Ayrshire Council has electronic data on the condition of their bridges and street lighting. Gaps have been identified in the extent of electronic inventory details held, including some footway details and lists of signs and Action Plans have been prepared to address this situation. An upgrade to the Insight for Highways

	Councils should ensure that they have up-to-date IT systems and asset management systems and take into account the recommendations and good practice contained in the *Framework for Highway Asset Management*, in particular: up-to-date information on the condition of the assets they are managing including roads, bridges and street lighting asset management systems linked to GIS and financial systems pavement management systems to minimise whole life costs of road maintenance electronic recording of safety inspections.	bridges and 18 councils have insufficient information on either the number and location of their footways, or their condition. In addition, 25 councils have insufficient information on the number and location of non-illuminated signs. (report paragraphs 55–63)	system for recording safety inspections has been purchased along with upgrades to the hand-held recording devices.
6	Councils should develop a framework of performance indicators and outcome targets against which to measure the performance of the road maintenance system. Councils whose unit costs are above average should examine whether cost savings are possible.	Councils have developed around 80 different local performance indicators for their own use but lack of consistency means they seldom compare their performance with other councils or the private sector to identify potential improvement. SCOTS has recently developed a suite of performance indicators aimed at creating more consistency to allow benchmarking to take place. (report paragraphs 67–70)	East Ayrshire Council is actively involved in the SCOTS RAMP project and a suite of performance indicators are being developed as part of the ongoing works. Costs were benchmarked through the NESI group but as Councils reduced the number of external contracts placed these costs were becoming less robust. A new framework has been established and East Ayrshire Council - Roads Maintenance Unit will benchmark against the private sector costs through this contract.
7	Councils and the Scottish Executive should ensure that their road maintenance activities contribute to the environment and to sustainability	We found that 17 councils always recycle roadside litter; 16 councils use low-noise running surfaces where appropriate when roads are being resurfaced; 24 sometimes reuse excavated materials from road maintenance; and 30 sometimes use recycled materials in road maintenance.	East Ayrshire Council have trialled the Re-pave process on the A71 and initial results are positive. A trial of the Re-tread process(another recycling process) is being considered.

		However, only two councils use performance indicators to monitor the impact of their road maintenance activities on the environment. Transport Scotland's current contracts with the operating companies do not include performance indicators covering the environment and sustainability. However, all operating companies have undertaken activities relating to the environment and sustainability including investigating the use of alternative materials, increasing staff awareness and engaging with stakeholders. Transport Scotland's tender documents for the next round of trunk road maintenance contracts include a number of performance indicators aimed at reducing carbon emissions, encouraging sustainability and measuring waste. In addition, implementation of a new carbon management system and a process for implementing new sustainability innovations has been developed. Transport Scotland is currently trialling a process for prioritising road maintenance schemes whereby each proposed scheme is scored against four criteria, one of which is environmental sustainability. (report paragraphs 72–75)	Low noise surfaces such as Stone Mastic Asphalt (SMA) have been used previously where appropriate. East Ayrshire Council will continue to assess the suitability of such surfacing. East Ayrshire Council purchased a Rhino-patcher unit to undertake in-situ repairs, eliminating the use of additional materials as per conventional repair methods. Re-cycled materials such as road planning are used as base-course materials in footway works. Plannings from road resurfacing schemes are recycled for re-used in surfacing materials. Un-segregated waste from carriageway and footway excavations is processed by a third party and diverted from landfill. East Ayrshire Council will consider the usefulness of performance indicators to monitor impact of their road maintenance activities on the environment

Appendix 3 Audit Scotland Recommendations in their 2011 Report Maintaining Scotland's Roads – A Follow-Up Report and East Ayrshire Council's Progress on These Recommendations

	Recommendations	East Ayrshire Council Progress	Further Action	Due Date
1	Transport Scotland and Councils should: review their road maintenance strategies and plans to confirm that adequate prioritisation is given to those routes which are likely to contribute greatest to economic growth and improved quality of life	In 2009 East Ayrshire Council adopted a scheme prioritisation ranking methodology for the Carriageway and Footway Structural Maintenance Programme, based on work undertaken as part of the SCOTS Road Asset Management Plan project. These rankings taking into account route hierarchy, importance to the community, access to wider community facilities (eg bus routes and schools). The rankings have been used to prioritise the schemes proposed for the three year Carriageway Structural Maintenance Programme from 2011/12 to 2013/14.	Continue to apply the scheme prioritisation ranking methodology for future carriageway maintenance programmes and complete implementation for future footway structural maintenance programmes.	March 2012
2	Transport Scotland and Councils should: work together to consider all opportunities for achieving more with the resources currently available, by exploring new ways of working, such as service reconfiguration, pooling and flexible use of resources (including staff and machinery) and partnerships between councils and with the private sector	Following the completion of a Best Value Service Review in 2009 the Roads and Transportation Service was reconfigured. In particular the trading status of the Roads Maintenance Unit was removed and a new integrated delivery model was introduced delivering cost savings. East Ayrshire Council has developed a number of shared service/joint working initiatives such as: - All Ayrshire Framework for Minor Civils works in collaboration with North and South Ayrshire Councils. - Winter weather forecasts and procurement of salt. - Procurement of road materials - Sharing of Jet Patching unit with North Ayrshire Council. Senior officers within the three Ayrshire Councils are undertaking a feasibility study for integrated roads service delivery within East, North and South Ayrshire Councils.	Develop joint Framework contract for appointment of consultants Complete feasibility study for integrated roads service delivery within East, North and South Ayrshire Councils. Explore other opportunities for sharing provision and joint working with other councils and Transport Scotland.	October 2011 September 2011. March 2012

3	Transport Scotland and Councils should: ensure that information on maintenance backlog and road condition is reported regularly to elected members and the public	Road Condition is reported to members annually as an SPI and these reports are available to the public. The backlog figure for the road network is included in this report to Cabinet on the Condition of the Road Network.	Continue to report road condition to elected members and the public annually. Report backlog figure annually.	March 2012 March 2012
4	Councils should: ensure they can demonstrate that the best use is being made of resources currently available, through benchmarking and improved performance management and reporting	East Ayrshire Council previously benchmarked costs through use of the NESI rates. These rates for various surfacing works were based on costs from other Councils and from contracts won by the private sector in competitive tendering. A number of performance measures are reported on the Council's performance reporting system CORVU	Benchmarked costs against the rates in the Framework for Minor Civil Works. Review the performance measures reported to ensure demonstration of best use of resources.	September 2011 December 2011
5	Councils should: respond fully, as a matter of urgency, to the recommendations made in our 2004 report, and in particular ensure that: • all information is available to allow effective asset management to take place • a consistent way of costing total road maintenance backlog is used across all councils • they fully support SCOTS' road asset management project and have a road asset management plan in place no later than the end of 2011, with those councils that have still to develop adequate inventory and information systems doing so quickly in order to comply with	The preparation of the Road Asset Management Plan has identified gaps in the electronic inventory data held for the road network, including some footway details and lists of signs. Action Plans have been prepared to address this situation. SCOTS through the project with WDM have developed a model for calculating road maintenance backlog for councils. East Ayrshire Council is working with the SCOTS group to develop consistent methodologies for costing total backlog including footways, bridges and street lighting. East Ayrshire Council fully participate in the SCOTS Road Asset Management (RAMP) project and completed a draft Road Asset Management Plan (RAMP) prior to the deadline in 2010. East Ayrshire Council has been actively involved in developing the SCOTS performance indicators and will assist in taking this forward through the ongoing RAMP project. In addition East Ayrshire	East Ayrshire Council will collect additional inventory data as resources permit to allow effective asset management to take place. Continue to use SCOTS model for calculating road maintenance backlog annually. Continue to develop and update Road Asset Management Plan in line with the 5 year timetable of the SCOTS ramp project. Adopt the SCOTS suit of performance indicators once finalised.	March 2012 March 2012 and annually March 2013 September 2011

	this deadline • they adopt the suite of performance indicators being developed by SCOTS as an important first step in allowing the relative performance of councils' road maintenance activities to be measured consistently • they make greater efforts to benchmark road maintenance activities with other councils and the private sector in order to drive out cost inefficiencies • they seek to develop a costed model for shared services.	Council has met recently with other authorities to consider consistent approaches to routine inspection and maintenance activities and further guidance will be developed in the near future East Ayrshire Council benchmarked costs through use of the NESI rates. These rates for various surfacing works were based on costs from other Councils and from contracts won by the private sector in competitive tendering. A common set of performance indicators being developed by SCOTS will assist in benchmarking performance with other councils using consistent data. Senior officers within the three Ayrshire Councils are undertaking a feasibility study for shared service arrangements.	Use the above performance indicators to benchmark performance against other councils and use the All Ayrshire Framework for Minor Civils work to benchmark against the private sector. Complete feasibility study for integrated roads service delivery within East, North and South Ayrshire Councils.	September 2011 September 2011

APPENDIX 4

Revised Capital Investment Programme

Roads & Transportation Proposed Capital Schemes	2009/10 Estimate	2010/11 Estimate	2011/12 Estimate	2012/13 Estimate	2013/14 Estimate	2014/15 - Estimate	2015/16 - Estimate	2016/17 - Estimate	2017/18 Estimate	2018/19 - Estimate	TOTAL 09/10 - 18/19	Comments
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Roads and Transportation Programme												
CARRIAGEWAY STRUCTURAL MAINTENANCE	1,675	1,900	1,885	2,000	2,125	2,265	2,405	2,520	2,625	2,750	**22,150**	Total increase = £1M
FOOTWAY STRUCTURAL MAINTENANCE	500	520	500	500	500	480	485	485	485	485	**4,940**	Decreased by £410k
STREET LIGHTING IMPROVEMENT SCHEMES	220	220	220	225	225	250	250	250	250	250	**2,360**	
BRIDGE STRENGTHENING & CULVERT REPLACEMENT	750	650	700	750	825	900	975	1,050	1,140	1,220	**8,960**	
REFURBISHMENT OF MULTI STORY CAR PARK	20	20	20	30	30	30	40	40	40	40	**310**	
A70 WELLTREES BRIDGE											**0**	
LUGAR BRIDGE											**0**	
ROAD SAFETY SCHEMES AND TRAFFIC IMPROVEMENT SCHEMES	130	130	125	140	140	140	140	140	150	150	**1,385**	Decreased by £165k
SAFER NEIGHBOURHOODS (20MPH ZONES)	100	100	75	75	75	60	50	50	50	50	**685**	Decreased by £75k
RURAL ROUTE ACTION PLANS	95	90	50	50	50	50	25	20	20	20	**470**	Decreased by £55k
STRATEGIC ROUTE IMPROVEMENTS	100	100	100	100	100	100	100	100	100	100	**1,000**	
ACCESSIBILITY	10	20	25	25	25	25	25	25	25	25	**230**	
SUSTAINABLE TRANSPORT / BUS INFRASTRUCTURE	25	25	40	40	40	40	40	40	40	40	**370**	Decreased by £80k
A70 MOTE TOLL IMPROVEMENT											**0**	
TOTAL TRAFFIC AND ROAD SAFETY	460	465	415	430	430	415	380	375	385	385		
											0	
FLOOD SCHEME DEVELOPMENT & MITIGATION	55	55	50	50	50	50	50	50	50	50	**510**	Decrease by £75k
PROPERTY IMPROVEMENTS	40	40	40	30	30	30	30	30	30	30	**330**	
CONTINGENCY	30	30	30	30	30	30	30	30	30	30	**300**	Decrease by £140k
Total	**3,750**	**3,900**	**3,860**	**4,045**	**4,245**	**4,450**	**4,645**	**4,830**	**5,035**	**5,240**	**44,000**	**0**