

Report

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Report to:	Executive Committee
Date of Meeting:	16 November 2011
Report by:	Executive Director (Enterprise Resources)

Subject:	Roads Investment Plan 2008 to 2016
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1. Purpose of Report

1.1. The purpose of the report is to:-

- ◆ advise Committee of the progress achieved to date in relation to the Roads Investment Plan 2008 to 2016
- ◆ request agreement for the extension of the Roads and Rural Investment Plan until 31 March 2019.

2. Recommendation(s)

2.1. The Committee is asked to approve the following recommendation(s):-

- (1) that the good progress on the Roads Investment Plan 2008 to 2016 be noted;
- (2) that the final 3 years of the original Plan (2013/2014 to 2015/2016) be rephased and extended until 31 March 2019.

3. Background

3.1. At its meeting of 30 April 2008, the Committee agreed to the implementation of an enhanced programme of roads maintenance and improvement over the period of 2008 to 2016 at a cost of £126 million.

In addition the Committee agreed a three year Rural Investment Plan for the period 2009 to 2012 to be progressed in Carluke. This became known as the Roads and Rural Investment Plan 2008 to 2016.

- 3.2. This commitment recognised user dissatisfaction with the condition of roads and footways and was the first long term Roads Investment Plan to be put in place by a Scottish local authority.
- 3.3. This progressive approach was recently recognised as good practice by Audit Scotland in its report entitled "Maintaining Scotland's roads – A follow up report" which was published in February 2011.
- 3.4. The original proposal was to fund the early years of the Investment Plan via commercial property sales and to rely on the use of revenue expenditure to fund prudential borrowing in later years.

4. Current Position

- 4.1. Good progress has been achieved in the first three full years of the Investment Plan with funding of £30 million achieving resurfacing of 565km or 25% of the road network. In addition, some 54km, or 3% of the footway network have been resurfaced.
- 4.2. While there is a general perception that the condition of our main roads is improving, there is considerable work remaining to be done particularly on secondary routes and minor roads. The fragile condition of many parts of the network has been exposed by the effects of successive severe winters with numerous potholes forming, particularly as the worst of the winter weather relented.
- 4.3. Continuing deterioration of the country's road network was also the subject of concern expressed by Audit Scotland in the report referred to at paragraph 3.3. above. This report identified that in the five year period from 2005 to 2010 the condition of Council roads across Scotland had deteriorated by 4% with only 66% now in acceptable condition, and the condition of trunk roads had deteriorated by 6% with only 78% in acceptable condition. It was, however, also noted that real term investment by Councils had fallen by 13% over the period and trunk road maintenance investment has reduced by 32%.
- 4.4. One of the key recommendations of Audit Scotland was a national review of road maintenance which is ongoing at present. The Council is represented on this review via our participation in SCOTS (Scottish Chief Officer of Transportation Society).

5. Proposed Re-phasing of the programme

- 5.1. The level of investment currently being made (£12 million per annum) together with approaching 9000 public utility openings on our network each year is already combining to generate, on occasion, a substantial degree of disruption. Clearly, were the programme to be continued as originally planned, with investment stepping up to £24 million per annum the level of disruption being experienced may well be regarded by the travelling public as unacceptable.
- 5.2. The current £12 million per annum Investment Programme is carried out in partnership with a private sector partner who is contracted to deliver some £2 million of resurfacing per annum. Using the existing funding package of £12 million per annum would allow the current arrangements to continue for a further three year programme to 2018/19 whilst avoiding the potential disruption referred to above.
- 5.3. The proposed re-phasing is as set out below:-

Year	Currently Approved (£M)	Proposed (£M)
2012/13	12	12
2013/14	24	12
2014/15	24	12
2015/16	24	12
2016/17	0	12
2017/18	0	12
2018/19	0	12
Totals	84	84

5.4. The annual roads investment workload will continue to be subject to checks to ensure value for money is being achieved relative to private sector rates, to ensure the quality of the works being undertaken and to ensure that the works are being carried out with due regard to health and safety requirements.

6. Employee Implications

6.1. Extension of the programme as proposed will provide continued workload for the Council's contracting service over the period of the extension.

7. Financial Implications

7.1. In accordance with the conditions of the Roads 10 year Service Level Agreement which commenced on 1 April 2005, a significant package of work is annually subject to competitive tender and given private sector rates have been typically higher than our own rates, the retention of the work in-house would avoid additional costs being incurred and generate additional trading surpluses over the period of the extension.

7.2. As stated in paragraph 3.4 the original proposal was to fund investment in the early years from the Commercial property sales. The subsequent, and continuing, impacts of the economic downturn have required this approach to be revised and following external valuation advice the commercial property sales have been delayed pending improvements in market conditions. This position will be subject to review over the next two/three years.

8. Other Implications

8.1. There are no significant issues in terms of sustainability or risk associated with this report.

9. Equality Impact Assessment and Consultation Arrangements

9.1. Although this report recommends a change to an existing policy/introduces a new policy, this policy area has been screened for equalities issues and is not relevant to the Council's equalities duties and, therefore, no impact assessment is required.

9.2. Appropriate consultation has been undertaken.

Colin McDowall
Executive Director (Enterprise Resources)

26 October 2011

Link(s) to Council Objectives/Improvement Themes/Values

- Improving the road network.

Previous References

- Executive Committee – 30 April, 2008

List of Background Papers

- Audit Scotland – Maintaining Scotland's roads, a follow up report.

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

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