

The Highland Council
Community Services Committee

5 February 2015

Agenda Item	12
Report No	COM 9/15

Distribution of Road Maintenance Budget – 2015/16

Report by Director of Community Services

Summary

This report invites Members to approve the distribution of the Roads Maintenance Budget for 2015/16 between the four Community Services Operational Areas.

1. Background

1.1. The budget for road maintenance contains four main and distinct activities:

- Winter Maintenance (Revenue)
- Cyclic Maintenance (Revenue)
- Surface Dressing (Capital)
- Structural Road Maintenance (Capital)

1.2. These activities include:

Heading	Description
Winter	Revenue expenditure used to deliver the Council's winter maintenance policy.
Cyclic Maintenance	Revenue expenditure used in works such as pothole repairs, surface patching, footway works, ditching, gully cleaning, road markings, traffic signs and verge cutting,
Surface Dressing	Capital expenditure used as an early intervention treatment to extend the life of the road surface.
Structural Road Maintenance	Capital expenditure used for the larger resurfacing works with an element reserved for major bridge refurbishment works.

1.3. The overall budget is subdivided between the four operational Areas as follows:

- Caithness & Sutherland
- Skye, Ross & Cromarty and Easter Ross
- Nairn, Badenoch & Strathspey and Lochaber
- Inverness

2. Method of Distribution

2.1 Winter Maintenance (Revenue)

The allocation for winter maintenance is based on the resources required to deliver the Council's winter maintenance policy. The budget includes a central allocation for providing detailed weather forecasts and maintaining the Icelert system. The proportional split between the Areas is based on historical spend using the average of the previous 3 years' actual spend.

2.2 Work is ongoing to analyse the future deployment of gritting vehicles that are involved in the £360k (2015/16) winter maintenance budget savings agreed by Council on the 18 December 2014. The outcome of this will alter the initial allocation presented in this report.

2.3 Cyclic Maintenance (Revenue)

The allocation for cyclic maintenance is distributed between the Areas according to a formula based on weighted road mileage with a small weighting for urban areas based on population. The split is 95% on road length and 5% on population.

2.4 Cyclic maintenance is either seasonal/cyclic (verge cutting) or reactive (potholes). In either case, the amount of work is proportional to the length of the road, making road length the most effective measurement to establish relative need. The population factor addresses the increased cost of maintaining urban features such as footpaths, signage, bollards and junction markings.

2.5 Drainage

The allocation for drainage uses the weighted mileage formula and is targeted towards the clearance of ditches on the rural road network.

2.6 Gully Emptying

The allocation for gully emptying is based on the number of gullies in each operational Area expressed as a percentage of the total asset.

2.7 Bridge Structural Maintenance

The allocation for bridge maintenance is based on the number of bridges in each operational Area expressed as a percentage of the total asset. For this purpose a bridge is defined as a structure with a span of 5 metres or greater.

2.8 Safety Barriers & Flood Risk Management (FRM)

These allocations will be held centrally and Area teams will make bids for the monies based on small discrete schemes. It will be a requirement that in-house expertise and resource is used wherever possible to deliver works. The distribution of the FRM element is managed by the Flood Risk Management Team.

3. **Structural Road Maintenance (Capital)**

3.1 The allocation for structural road maintenance is based on the results of the 2014 Scottish Road Maintenance Condition Survey (SRMCS). The SRMCS is undertaken annually by specialist contractors employed jointly by all 32 local road authorities in Scotland. It is machine-based and ensures that the condition of roads throughout Scotland is measured to the same standards, enabling benchmarking of road condition between authorities.

3.2 The SRMCS also provides an objective method of assessing the relative condition of roads between the Areas, and is considered the best method currently available to distribute structural maintenance budgets according to need.

3.3 Within the total structural maintenance allocation, a proportion is reserved for road structures such as bridges and retaining walls. This budget is held centrally, and is distributed on the basis of need as determined by routine and special inspections of structures. The distribution is agreed by the Chief Structural Engineer in consultation with Area staff.

4. **Programme of Activities**

4.1 Traditionally the Areas have been allocated a budget for both surface dressing and structural maintenance. Diminishing budgets compounded by above inflation rises in the cost of raw materials (bitumen) have resulted in a steady decline in the length of road treated annually. It is now considered that the Areas with the lowest road lengths are reaching a point where poorer economies of scale are affecting costs and this is becoming a matter of concern.

4.2 To address this it is recommended that the major treatment activities are put on a two year cycle where, in the first year, two of the four operational Areas concentrate mainly on surface dressing, with the other two Areas concentrating on structural maintenance. For year two the roles would be reversed.

4.3 The method of allocating the budget will remain the same. There will be an allocation for structural maintenance and one for surface dressing, however on the budget sheet those allocations will be summed and lodged against whichever activity that Area is programmed to do.

5. Budget Allocation for Roads Maintenance

- 5.1 The overall revenue budget for road maintenance activities for year 2015/16 has been set at £12.188m, which is unchanged from 2014/15.
- 5.2 The capital allocation for structural road maintenance for 2014/15 has been set at £4.5m, which is unchanged from 2014/15.
- 5.3 Individual Area allocations are detailed in **Appendix A**.

6. Implications

- 6.1 The distribution enables the Council to meet its duty under the Roads (Scotland) Act 1984 to an equal measure in each of the four Operational Areas.
- 6.2 This report has no direct impact on equality, Gaelic, climate change/Carbon Clever or rural considerations, nor are there any financial, risk or legal implications.

7. Recommendation

Members are invited to:

- i. **approve** the distribution of the Road Maintenance Budget for 2015/16 between the four Operational Areas on the basis of need. The details are contained in **Appendix A**;
- ii. **agree** to delegate the adjustment of the Winter Maintenance budget mentioned in 2.2 to the Director of Community Services in consultation with the Chair and Vice Chair of Community Services; and
- iii. **approve** the change to a 2 year cycle for the principal surfacing activities of surfacing dressing and re-surfacing.

Designation: Director of Community Services

Date: 19th January 2015

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APPENDIX A - Roads Budget Allocation 2015/16.

Activity	Total Budget	HQ	Caithness & Sutherland	Skye, Ross & Cromarty & Easter Ross	Nairn, Badenoch & Strathspey, Lochaber	Inverness
REVENUE						
Winter Maintenance	£4,861,756	£101,492	£1,560,567	£1,654,419	£774,073	£771,205
Cyclic Maintenance	£5,356,389	£20,000	£1,624,352	£1,766,611	£1,038,516	£906,910
Drainage	£203,587		£61,970	£67,398	£39,620	£34,599
Gully Emptying	£300,000		£41,624	£80,468	£56,082	£121,826
Bridge Structural Maintenance	£607,042		£165,873	£190,623	£178,031	£72,515
Safety Barriers	£250,000	£250,000				
Flood Risk Maintenance	£250,000	£250,000				
Total Revenue	£11,828,774	£621,492	£3,454,386	£3,759,519	£2,086,322	£1,907,055
CAPITAL						
Structural Road Maintenance: Resurfacing (Overlay/Inlay)	£1,150,000		£301,635	£400,572	£252,694	£195,099
Structural Road Maintenance: Patching and Regulating *	£1,500,000		£0	£1,019,146	£0	£480,854
Surface Dressing	£1,500,000		£730,056	£0	£769,944	£0
Bridge Maintenance	£350,000	£350,000				
Total Capital	£4,500,000	£350,000	£1,031,691	£1,419,718	£1,022,638	£675,953
Total Budget	£16,328,774	£971,492	£4,486,077	£5,179,237	£3,108,960	£2,583,008

Note: * Preparatory work for Resurfacing and Surface Dressing in the following year.