

ABERDEEN CITY COUNCIL

COMMITTEE	Enterprise, Planning & Infrastructure
DATE	20 th April 2010
DIRECTOR	Gordon McIntosh
TITLE OF REPORT	Roads Asset Management Plan
REPORT NUMBER	EPI/10/111

1. PURPOSE OF REPORT

This report presents the progress on the production of an Asset Management Plan for the Council in its role as Local Roads Authority, this plan being produced in accordance with the nationwide project by the SCOTS group.

2. RECOMMENDATION(S)

That the Committee note the content of the initial draft Roads Asset Management Plan and agree to continue to participate in the SCOTS project.

3. FINANCIAL IMPLICATIONS

There are no direct financial implications arising from this report. The Roads Asset Management Plan is being progressed using existing staffing resources in accordance with a budget that has already been presented and agreed. The principle of Roads Asset Management is to seek to improve the stewardship of Transportation Assets and to deploy resources more effectively.

4. SERVICE & COMMUNITY IMPACT

There is no specific statement in the Single Outcome Agreement requiring Roads Asset Management neither is there any conflict between the SOA and the principles of Roads Asset Management, which is one of the tools that can be used to ensure the objectives of Transportation service provision are met by the most cost effective means, in line with the aim of the Corporate Business Plan to do better in the management of our physical resources.

There is no impact on Equalities and Human Rights issues.

5. OTHER IMPLICATIONS

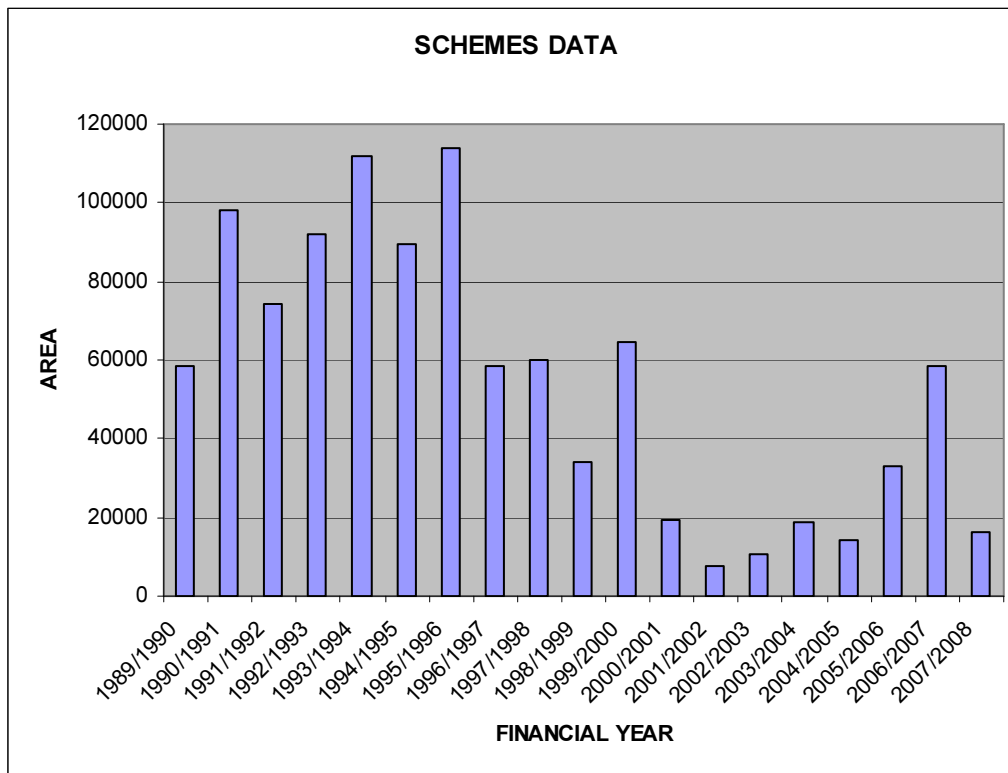
Roads Asset Management Plans are construed as a means by which Roads Authorities discharge their obligations under the Roads (Scotland) Act 1984

and specifically the duty to manage and maintain adopted roads under Section 1(1) of that Act.

6. REPORT

The amount of money spent on Roads Maintenance has been declining in recent years. The amount of road has been increasing, albeit slowly (less than 0.5% p.a.), but the volume of traffic, and therefore wear and tear, has been increasing faster and road construction materials have seen higher than average cost increases. The conclusion that must be drawn from this is that Roads Maintenance has been significantly underfunded for at least the last twenty years.

The chart below shows the area of road resurfaced each year between 1989 and 2008. The investment in 1990 represented a rate of resurfacing of carriageways about once every 60 years. The comparable figure in 2010 is once in 300 years.



The recent two winters have shown just how much of our road surfaces are at or beyond the end of their useful life. In many parts of the City they are no longer able to stand up to the use, weather, and regular disturbance from utilities operations top which they continue to be subject beyond the period of normal life expectancy of 20 years for which they were originally designed.

Roads Asset Management presents a best value approach to the safeguarding of the most valuable and vital asset in the Council's remit and without which our city would not be able to support our economic wellbeing. The methodology of property management is applied in this engineering context to ensure the various assets we are responsible for are managed and

maintained in as cost effective manner as possible to make best use of limited resources.

Experience in New Zealand and Wales has shown that Roads Asset Management Plans can achieve savings of 5% in roads maintenance budgets. It must, however, be emphasised that while the Asset Management approach can lead to more effective use of funds under funding of budgets will still fail to achieve results expected by citizens and road users.

The assets are identified, quantified and valued at Gross Replacement Cost, (the investment that would be required to replace the assets should they be lost or irrevocably damaged). This approach, which has been recommended by Cipfa and approved by the Treasury, represents a fundamental re-evaluation of our transportation assets resulting in an upward re-appraisal of the assets book value by an order of magnitude.

The current asset value calculated on historical investment is close to £100M. The value calculated on the GRC basis is nearly £1000M.

Asset Management is seen as a vital element of the application of Construction Design and Management to Transportation Assets and thus to Whole Life Costing as a key contributor to the principle of Whole Government Costing and Single Outcome initiatives.

A project under the stewardship of SCOTS and in partnership with EXP Consulting has been running for two years and is continuing for a further two years to establish a common approach for all the authorities across the country and to seek best practice methods for providing a methodology that is fully fit for purpose and meets the expectations of transport users as expressed through their elected representatives.

By the end of this period the Asset Management approach will have been integrated into the Council's Roads Management function and will represent the basic tool not merely for reporting the annual budget process but for carrying out all aspects of Roads Management and Maintenance.

Life-cycle plans will be established in a spreadsheet format permitting different spending profiles to be analysed for long and short term implications for levels of funding required to meet customers' expectations of the network.

Appendix 1 gives an indication of the current state of progress with the SCOTS project. The Headings are the main subjects into which the nationwide project is divided and which will form the principal chapter headings of the finalized plan..

Councils across Scotland are at different stages of development of their plans depending on the level and quality of information they hold.. The next stage of the project is for authorities to submit their rudimentary drafts for discussion and comparison at the workshops with a view to completing all Council's Plans to a comparable format.

At this stage the Plan is in preliminary form, existing data bases are investigated and proposals made for extending and completing these to

ensure adequate information is always readily available to enable strategies to be analyzed and decisions to be taken on the basis of full knowledge of possible outcomes.

It is anticipated that a further Report will be submitted early in 2011 informing the Council of progress with the Plan and presenting the first full draft as a method for establishing and evaluating the budget for Roads Maintenance.

By the Autumn of 2011 the Plan should be finalized and will form the basis for the budget process for Roads Maintenance for 2012/13.

Thereafter the Plan will be up-dated annually and will become the routine Roads Maintenance management tool.

7. REPORT AUTHOR DETAILS

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8. BACKGROUND PAPERS

All sources for this report are quoted in the Initial Draft Roads Asset Management Plan.

APPENDIX 1

	Heading	%	action	time-scale
1	Introduction	50	dependent on completion of 2 - 9	
2	Asset Description	90	refine data	late 2010
3	Community Requirements	0	establish with reference to Community Plan	late 2010
4	Future Demands	0	investigate	late 2010
5	Levels of Service	30	develop with City Voice	2011
6	Lifecycle Planning	40	continue work in progress	late 2010
7	Financial Summary	10	investigate	late 2010
8	Risk Management	30	continue work in progress	late 2010
9	Improvement Plan	10	to be developed	2011
10	Management and Control of the Plan	10	dependent on completion of 2 - 9	2011