

Item: 6

Development and Infrastructure Committee: 30 March 2021.

Road Asset Repairs and Renewal Fund.

Report by Executive Director of Development and Infrastructure.

1. Purpose of Report

To establish a plan for addressing supplemental roads and paths repairs and renewal works, following establishment of a new fund.

2. Recommendations

The Committee is invited to note:

2.1.

That, on 23 February 2021, when reviewing the level of the Council's reserves and balances as part of the budget setting process for 2021/22, the Policy and Resources Committee recommended that a contribution of £2.1 million be made to the Repairs and Renewals Fund, to be utilised specifically for roads and paths repairs and renewals works.

2.2.

That the additional funding will be used to improve the Council's network asset by addressing repairs to the road network, exacerbated in 2020/21 by COVID-19 restrictions and the recent severe winter weather.

2.3.

The proposal that, in advance of the detailed assessment of the roads network being completed, the additional funding be utilised over financial years 2021/22 and 2022/23.

2.4.

The indicative Road Asset Repairs and Renewal Fund Programmes for 2021/22 and 2022/23 in respect of the capital and revenue works, attached as Appendix 1 to this report.

It is recommended to the Policy and Resources Committee:

2.5.

That the contribution of £2.1 million, made to the Repairs and Renewal Fund as part of the budget setting process for 2021/22, in respect of roads and paths repairs and renewals works, be allocated equally over financial years 2021/22 and 2022/23 as follows:

- Roads Revenue Maintenance – £683,400 (65%).
- Road Asset Replacement Programme (capital works) – £366,600 (35%).

2.6.

That the annual Roads Revenue Maintenance budget and the Road Asset Replacement Programme relating to capital works be enhanced by £683,400 and £366,600 respectively for each of financial years 2021/22 and 2022/23.

3. Background

3.1.

On 23 February 2021, when considering the level of the Council's reserves and balances as part of the budget setting process for 2021/22, the Policy and Resources Committee recommended that a contribution of £2.1 million, funded from the non-earmarked General Fund balance, be made to the Repairs and Renewals Fund, to be utilised specifically for roads and paths repairs and renewals works. This was subsequently agreed by Council on 2 March 2021.

3.2.

Accordingly, the Policy and Resources Committee requested the Executive Director of Development and Infrastructure to submit a report, to the next meeting of the Development and Infrastructure Committee, outlining a detailed programme for utilisation of the additional £2.1 million funding set aside for roads and paths repairs and renewals works.

3.3.

The Council's roads assets have begun to deteriorate with age and use. Further, as a result of COVID-19, there was a reduction in the maintenance work carried out on the network in 2020/21, with the surface dressing programme in summer 2020 being cancelled. In addition to this, the severe winter weather in January and February 2021 has resulted in further deterioration of the road network.

3.4.

The additional funding, referred to at section 3.1 above, will be used to supplement existing capital and revenue expenditure for 2021/22 and 2022/23, in respect of repairs and renewal to the road network and associated infrastructure.

4. Proposed Works

4.1.

It is proposed to programme the works over a two year period. Capital works to be added to the Road Asset Replacement Programmes for 2021/22 and 2022/23 will include surfacing treatment works, drainage and reconstruction. Additional revenue work for the same period will involve routine maintenance in relation to surface dressing, patching and slab repairs and bridges and structures.

4.2.

To demonstrate best value, and ensure that funding is allocated to best enhance the asset value, an assessment of the network's need will be undertaken so that improvements can be targeted to those work streams and in those areas where funding will provide the greatest value for money for users across Orkney.

4.3.

Works are planned to commence at the earliest opportunity, resources permitting, in April 2021. Initially it is likely that this will involve patching works under a "find and fix" regime whilst the large projects are developed, planned and programmed:

- The surface dressing programme will commence in May 2021, with capital surface treatment works being planned for late summer/early autumn.
- Capital drainage and reconstruction works will be planned/programmed for later in 2021.
- Revenue bridge repairs will be based on works identified and prioritised as part of the bridge assessment and inspection regime.

4.4.

An indicative summary of the additional works which are under consideration for taking forward in respect of both capital and revenue repairs and renewal, using the £2.1 million additional funding and the usual capital and revenue budgets, is attached as Appendix 1 to this report.

5. Corporate Governance

This report relates to the Council complying with its financial processes and procedures and therefore does not directly support and contribute to improved outcomes for communities as outlined in the Council Plan and the Local Outcomes Improvement Plan.

6. Financial Implications

6.1.

The Council has yet to approve the detailed Service revenue budgets for financial year 2021/22, including the Roads revenue maintenance budget. Also, the draft Road Asset Replacement Programme for financial year 2021/22, together with indicative programmes for 2022/23 and 2023/24 are only now due to be formally considered by the Service Committee, being the subject of a separate report on this Agenda.

6.2.

In advance of the programme detail being fully developed, this report sets out an initial plan to utilise the additional funding of £2.1 million set aside in the Repairs and Renewals Fund for roads maintenance and asset replacement works over a two year period being financial years 2021/22 and 2022/23. On a pro rata basis, this equates

to an allocation of 50% or £1.050 million as an addition to the existing annual Roads Revenue Maintenance and Road Asset Replacement Programme (capital works) budgets.

6.3.

Based on the summary extract set out in the Appendix to this report, this would increase the annual programme spend of £1,429.7k by 73% over the two financial years, split pro rata £683.4k (65%) and £366.6k (35%) across revenue and capital programme works.

6.4.

On the basis that both use of these funds and Council's budgets are determined at a Corporate rather than Service level, then any recommendation should be by way of a request to the Policy and Resources Committee.

6.5.

If approved, it is anticipated that the enhanced programme detail will be reported to the Service Committee in due course through the established budget monitoring arrangements for the Roads revenue maintenance and capital asset replacement programmes.

7. Legal Aspects

7.1.

When purchasing new roads assets, the Council must comply with the Contract Standing Orders.

7.2.

Section 1(1) of the Roads Scotland Act 1984 states that: "a local roads authority shall manage and maintain all such roads in their area as are for the time being entered in a list (in this act referred to as their "list of public roads") prepared and kept by them under this section; and for the purposes of such management and maintenance (and without prejudice to this subsection's generality) they shall, subject to the provisions of this act, have power to reconstruct, alter, widen, improve or renew any such road or to determine the means by which the public right of passage over it, or over any part of it, may be exercised.

8. Contact Officers

Gavin Barr, Executive Director of Development and Infrastructure, Email gavin.barr@orkney.gov.uk

Darren Richardson, Head of Infrastructure and Strategic Projects, Email darren.richardson@orkney.gov.uk

John Wrigley, Roads and Environmental Services Manager, Email john.wrigley@orkney.gov.uk

Kenneth Roy, Roads Support Manager, Email kenny.roy@orkney.gov.uk

9. Appendix

Appendix 1: Road Asset Repairs and Renewal Fund Programme 2021 to 2023.

Development and Infrastructure Roads and Environmental Services					Roads Asset Repairs and Renewal Fund		
Asset type	Repairs and Renewal Fund	Budget 2021-2022	Budget 2022-2023	Total	Location	Cost Code	Description
Surface Treatments					Kirkwall Hoy/South Walls Stromness St.Ola Sandwick Harray Firth St.Andrews Holm Westray		Projects already identified in programme for 2021/22 and priority areas brought forward from 2022/23. Remaining sections of carriageway as identified following addition Course Visual Inspections
Surface treatments	£1,150,000.00	£350,000.00	£350,000.00	£1,850,000.00		C25211001	
Road Reconstruction					Firth Harray Rendall Burray		Haunch reconstruction and associated drainage works
Reconstruction	£150,000.00	£200,000.00	£200,000.00	£550,000.00		C25213001	
Drainage					Evie Orphir Firth South Ronaldsay		Asset replacemnet programme for 2021/22 and 2022/23
Drainage	£66,800.00	£35,000.00	£35,000.00	£136,800.00		C25207001	
Surface Dressing					Kirkwall St.Ola South Ronaldsay Orphir Stromness Sandwick Birsay Firth St.Andrews Deerness Harray Holm Evie Rendall Stenness Sanday Stronsay		Surface Dressing programme from 2020, suspended as a result of COVID-19, and programme of works planned for 2021
Surface Dressing	£450,000.00	£470,500.00	£470,500.00	£1,391,000.00		R26300000	
Patching					Various Locations		Areas will be identified following course visual inspections. Works ongoing.
Patching	£124,200.00	£230,300.00	£230,300.00	£584,800.00		R26310000	
Bridges					St.Andrews Firth Stenness St.Ola Harray Birsay Holm Evie Hoy Rousay		Priority works identified following bridge assessments and inspections.
Bridges	£159,000.00	£143,900.00	£143,900.00	£446,800.00		R26350000	
Total	£2,100,000.00	£1,429,700.00	£1,429,700.00	£4,959,400.00			