

Northern Roads Collaboration Joint Committee

REPORT TO NORTHERN ROADS COLLABORATION JOINT COMMITTEE – 21 JUNE 2019

STRATEGIC BUSINESS CASE FOR ROADS ASSET MANAGEMENT

1 Recommendations

The Joint Committee is asked to:

- 1.1 Note the ongoing progress to consider opportunities to collaborate in asset management planning at operational and strategic levels;
- 1.2 Approve the proposed Strategic Business Case attached as Appendix 1 and recommend to Member Authorities to take the initiative forward as outlined;
- 1.3 Recommend that the funding gap to advance this work is covered by the Member Authorities; and
- 1.4 Instruct the Roads Collaboration Programme Manager to report back to the Joint Committee with an update following the completion of Phase 1.

1 Background/Discussion

- 2.1 At its meeting on 1 March 2019, members received an update on progress by officers to consider opportunities to collaborate in the collection, management and reporting of asset data, whilst sharing best practice. Members noted the draft Strategic Business Case for wider collaboration in asset management and investment planning.
- 2.2 This report provides the final Strategic Business Case for approval. It highlights a recommended 2 phase approach to implementing the project, with Members able to review the outcomes of Phase 1 before progressing.
- 2.3 At the previous meeting, Members were asked to note the current results of the Society of Chief Officers of Transportation in Scotland (SCOTS) self-assessment tool to determine the level of progress being achieved individually in the development of their Roads Asset Management Plans (RAMPs). This has been built into this project now, to help all Councils to share best practice to better meet the assessment criteria. For example, a workshop has been set up to allow Aberdeenshire to demonstrate their industry-leading Confirm asset management system.
- 2.4 Engagement with Transport Scotland is underway to explore opportunities for a more collective approach to asset management between local and trunk roads. Transport Scotland are in the process of developing their own management system to which local authorities may be able to contribute after initial work is done during the remainder of 2019.

- 2.5 All Councils are fully engaged with the SCOTS national asset management project, which incorporates guidance and training around the practices and competences needed for the new risk based approach to managing road assets.
- 2.6 A cost of £10,000 is expected to undertake the first phase of work. The Improvement Service will contribute specialist resources at no cost. A further £5000 will be provided from the core Roads Collaboration Programme. Recommendation 1.3 asks partners to jointly contribute the balance of £5,000.

Strategic Business Case

- 2.7 As reported previously, the Strategic Business Case for collective road asset management planning across the Northern area will consider the current objectives, approaches, and resources available to each partner authority in the preparation and use of each individual RAMP.
- 2.8 It will also consider the potential benefits of looking at strategic asset planning on a joint basis across a larger geographic area, explore potential options for change, and provide recommendation(s).
- 2.9 The SCOTS consultant for their national asset planning project has been recently engaged to assist the Improvement Service and lead officers in this project. This will be valued on the basis of the existing SCOTS framework contract.
- 2.10 There is an opportunity to engage with Orkney Islands Council and Shetland Islands Council to offer to involve them in this project.
- 2.11 The Joint Committee's Legal Monitoring Officer within Aberdeenshire Council and Financial Monitoring Officer within the Highland Council have been consulted in the preparation of this report and had no comments to make and are satisfied that the report complies with the relevant legislation.

3 Implications and Risk

- 3.1 An equality impact assessment is not required in relation to this report. The report does not have a differential impact on any of the protected characteristics.
- 3.2 The potential savings associated with taking a collaborative approach to asset management will be assessed as part of the strategic business case.
- 3.3 No risks have been identified as relevant to this matter.

Ewan Wallace
Lead Officer

Northern Roads Collaboration Joint Committee

Appendix 1 - STRATEGIC BUSINESS CASE – for approval

Project Name	Strategic Road Asset Management Planning	
Proposed Members	<i>All Partner Authorities will take part</i>	
Project Lead Authority	Work will be led by the Improvement Service supported by representatives of the Northern Roads Joint Committee Officer Group	
Project Officer	Angus Bodie, Improvement Service	Date prepared: 7/6/19
1. Strategic Case		
<p>This project, to explore the Strategic Road Asset Management Planning for the Northern Roads Collaboration Joint Committee area will look at the processes, data and specialist resources used across the area. It will consider opportunities to consider the investment needs and opportunities of the road assets more holistically, and to provide a long term outlook for the carriageway assets within the context of wider economic development outcomes being sought across the area covered by the Northern Authorities.</p> <p>It fits with the core objective of partners on the Joint Committee as it will identify and develop opportunities to collaborate in the collection, management and reporting of asset data, whilst sharing best practice.</p> <p>The project will take learning from the current Roads Asset Management Plan (RAMP) and Scottish Road Maintenance Condition Survey (SRMCS) national projects overseen by Society of Chief Officers of Transportation in Scotland (SCOTS) and will build in approaches from the wider UK.</p> <p>The project will be taken forward on a collaborative basis with direct support from the Improvement Service (and external support), overseen by a project steering group.</p> <p>Funding will be sought from partners and/or national agencies to enable the work to be taken forward.</p> <p>The project is expected to result in:</p> <ol style="list-style-type: none"> 1) Potential shared resources to undertake RAMP work, both operationally and tactically, with a series of recommendations for collective working; 2) Recommendations around alternative asset management approaches, maintenance regimes and the use of emerging technology to manage and maintain the network; and 3) Consideration of a new approach to seeking additional investment for the road network in the Northern area. 		

The proposed overall vision is :

To make roads asset management more resilient and effective across the Northern area, by working collectively in the management, analysis and reporting of condition data, to make best use of all road-related budgets and to improve future investment planning.

It is envisaged that this vision will be achieved through a phased project, initially as follows:

Phase 1

- 1) A detailed (SWOT) analysis across the partner authorities will be carried out, focussing on the following themes;
 - People (skills, competencies and resilience) – based on the UK Roads competency framework.
 - Software (management and data systems).
 - Data (extent, quality, age and usage).
 - Processes and procedures – based on UK guidance on maintenance manuals.

This analysis will identify threats, weaknesses and opportunities for improvement in each authority, providing opportunities for change to meet the agreed vision and deliver the expected outcomes, whilst identifying and sharing best practice.

- 2) Existing strategies and processes will be reviewed and compared, including the introduction of risk based approaches.
- 3) Options for longer term collaboration/change will be explored and compared, to provide recommendation(s).

Phase 2

- 1) Recommendations for further collaboration from phase 1 will be taken forward (after consideration by members).
- 2) Approaches to seeking new investment in road infrastructure will be developed.

2. Business Impact

The Project is expected to contribute to a positive business impact through:

- 1) The sharing of knowledge and resources;
- 2) Access to experience in-house specialist staff to improve resilience;
- 3) Opportunities to jointly develop succession planning and staff development;
- 4) Consistency of approaches and procedures;

- 5) Use of data more effectively;
- 6) Improved decision making on the back of robust evidence and use of comparator indicators;
- 7) Opportunities to jointly develop approaches to customer service;
- 8) Joint development of new innovation; and
- 9) Making the case for additional long term investment in the road asset based on wider economic impacts and outcomes.

3. Assessment of Business Impact

Please define clearly how you propose to measure and benchmark the business impacts set out in Section 2 above. These will be used later by the Officers Working Group to track, monitor and measure the delivery of the business impacts and report to the Joint Committee on the overall success of the project in achieving its objectives.

The success of the project will be measured across a number of impact areas;

- 1) Progress with RAMP development using the SCOTS assessment tool;
- 2) Staffing costs associated with RAMP work;
- 3) Costs relating to data collection and analysis;
- 4) Specialist resource resilience;
- 5) The budget allocation for maintenance of the over Road Asset.

4. Economic Case

The project will seek to improve the efficiency and effectiveness of asset planning within individual authorities and across the partnership. The cost benefits of good asset management (locally and regionally) will be evaluated as authorities drive improvement and seek better value for money.

The ongoing resilience and sustainability of the specialist resources needed to manage assets properly will be protected.

Opportunities for potential new funding routes will be identified and developed across the partnership area.

5. Options Appraisal

Please detail the list of options identified and compared prior to identifying the Project as the preferred option. Also identify potential future phases of the project that are anticipated at this time.

Options will be developed and compared as part of phase 1, and will include:

- Status quo
- Joint Asset Management team (formal collaboration)
- Asset Management hub (soft collaboration)

- Externalisation

Progress to phase 2 (and beyond) will depend on the recommendations of (and agreement to) this option appraisal.

6. Financial Implications Summary (Capital and Revenue)

Note: A detailed financial breakdown is encouraged. It can be prepared separately and appended to this business case.

This will be considered through the phase 1 option appraisal and will include information on the proposed method of cost and benefit sharing across partners, including current base costs, start-up costs, cost sharing arrangements and lead authority (if appropriate) overhead costs. The cost of phase 1 will be £10,000 (relating to the cost of external support).

6a. Notes and Assumptions on Financial Implications

N/A

7. Implementation Plan

Please define the base date for the Project, the potential timescale for implementing the Project, the proposed start date for implementation and how implementation will take place?

Base Date (Process start date)

The Strategic Business Case development began in November 2018. Phase 1 will begin in July 2019

Timescale (for process, including obtaining approval from Member Councils, progress reporting and formal review)

The final Strategic Business Case will be presented to the Joint Committee in June 2019. Regular updates will be provided thereafter.

Project Start Date

Phase 1 - July 2019

Implementation Process: Following approval of this Strategic Business Case, the Improvement Service, supported by the consultant will undertake the work identified as being in-scope for phase 1, between July and September 2019. This will result in recommendation(s) to be considered for a potential second phase should partners wish to continue with the project.

8. Deliverability and Risks

Please set out the key risks which may arise in the delivery of the Project and how these will be mitigated along with information on partner engagement and consideration .

The key risks identified for this strategic business case are: *{to be developed further}*

<i>Risk</i>	<i>Mitigation</i>	<i>Partners</i>
Existing datasets cannot be merged.	Work towards consistency in data capture across all asset types	SCOTS Asset Management consultant and Council lead officers.
Existing systems are not compatible.	Seek common aspects of systems and consider alignment of systems possibly over an extended period.	SCOTS Asset Management consultant, system contractor(s) and Council lead officers.
Lack of willingness to change existing Asset Management approaches and strategies.	Seek to ensure that all partners align Asset Management methodologies, including committee approvals if necessary.	Council senior officers and elected members.

9. Governance

List key stakeholders who have been consulted in the development of this project, the manner of that consultation, the outputs and how they will be responded to.

Initially this work has been taken through the collaborative work across the partners including Transport Scotland and the Improvement Service.

Confirm date of consideration and support by Officers Working Group

Following previous reports to the Northern Joint Committee, this Strategic Business Case will be finalised for the Joint Committee meeting on 21 June 2019.

Detail the proposed process for seeking Member Council approval for the project including budget approval

The Joint Committee will be asked to approve this Strategic Business Case in June 2019. It is likely that the results of the phase 1 work may require reporting to Member Councils later in 2019.

10. Approvals, Decisions and Notification	
Finance Comments by Finance Officer;	
Recommendation	Date
Lead Officer Comments:	
Recommendation	Date
<u>Decision by Joint Committee on (date)</u>	
Approve Strategic Business Case	Yes / No
Lead Officer Notification	Date