

RURAL ECONOMY AND CONNECTIVITY COMMITTEE

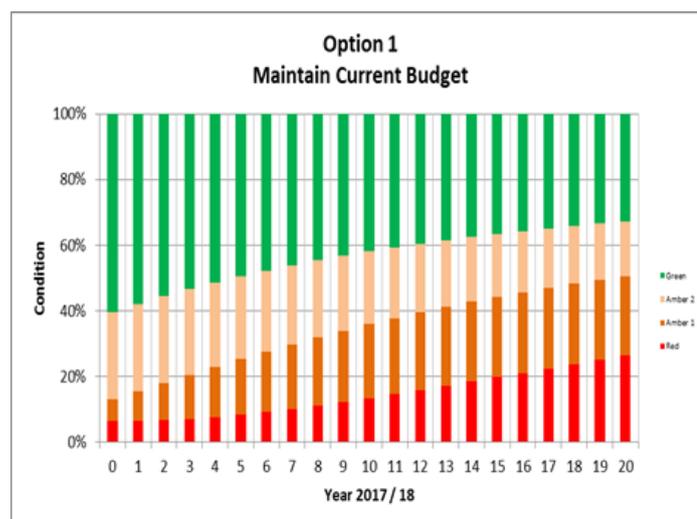
PRE-BUDGET/FINANCIAL SCRUTINY ON ROADS MAINTENANCE IN SCOTLAND

SUBMISSION FROM COMHAIRLE NAN EILEAN SIAR

How have recent spending decisions on roads maintenance affected the quality of Scotland's roads, road users, businesses, public services, and the economy?

Local Authorities have faced difficult decisions on prioritising capital and revenue allocations. With insufficient capital resources to deliver residential care and education investment the roads budget has often been seen as the area where cuts can be made when faced with extremely difficult prioritisation choices and a lack of resource to deliver the services across the board. In the Western Isles such difficult decisions have had to be made where the urgent requirement to provide residential care facilities, and improve school suitability and condition, has resulted in the allocation of capital for roads infrastructure for the period 2018 – 2023 being significantly reduced. The annual revenue reductions for roads maintenance over the past 5 years compounded with savings targets of a further 25% within the next two years is painting a particularly concerning picture for the future.

Comhairle nan Eilean Siar participates in the Roads Asset Management Process facilitated by SCOTS and in the Northern Roads Collaboration Joint Committee. Data gathered results in a document known as the Annual Status and Options Report which indicates investment requirements based on asset condition. One of the outputs demonstrates that in the Western Isles the Roads Condition Index has been maintained at a relatively steady level over the past five years albeit with a backlog maintenance figure in the order of £40m, however at current investment levels the percentage of the road network requiring maintenance is predicted to increase considerably over the next 20 years (see graph below).



The greatest immediate concern is the progressive effect of diminishing capital and revenue budgets affecting the local availability of surfacing and quarry materials. Asphalt is no longer locally available in the Southern Islands of the Western Isles

chain, which has nearly doubled the supply and laying costs of hot asphalt in these areas. The sustainability of the one remaining asphalt plant in Stornoway is now in question with the increasing probability that hot asphalt will not be available locally on the Western Isles without a mobile asphalt plant being established on a project specific basis. This will result in increased costs putting greater pressure on reduced budgets and a deteriorating road network.

In order to maximise contractual arrangements, and output from investment, Comhairle nan Eilean Siar has had to commit its full road surfacing capital budget in the first two years of the current investment period (2018-2023). There is a concern that over the coming three years that the combined consequence of revenue and capital reductions will have an increasing adverse effect on road users as there will be an inability to undertake surface repairs and structural remediation works.

Businesses and public services throughout the Western Isles are heavily reliant on the road network. Large vehicles, particularly in relation to the aquaculture industry, frequently utilise single track rural roads of unsuitable construction (peat foundation). There are also many rural roads with associated structures/bridges that are the only means of lifeline access for communities.

The tourist industry in the Western Isles has experienced considerable increase over the past five years, outgrowing the capacity of the road infrastructure to key attractions. The Rural Tourism Infrastructure Fund will not address all the areas of constraint.

If spending on roads maintenance continues at current levels, what could be the likely effects on the above groups?

Road Users will experience greater inconvenience and an increased risk of vehicle damage.

A severe winter will lead to significant road damage and without the monies to repair this could lead to a rapid deterioration of the network.

The construction industry will be adversely affected by the loss of locally sourced construction materials such as asphalt, concrete and quarry products. Skills built up in the islands over many years will be lost.

The loss of asphalt, concrete and quarrying facilities in the islands will have direct cost implication for all future construction works in the islands. The deployment cost for a mobile asphalt plant is in the region of £300k and for the scale of projects in the Western Isles this additional cost, when converted to a unitary value per tonne of material, does not represent best value for the public or Scottish Government.

Travel times will increase throughout the islands affecting business performance and productivity.

Tourism will be affected by poor visitor experience.

The deterioration in road condition is illustrated in the previous section.

How could any negative effects of reduced road spending best be addressed?

The only way to ensure that the network remains in good condition is to invest in it. The Comhairle has seen a 17% cash reduction in revenue funding since 2010/11 and has had to find saving of a nearly £40m since then. This has inevitably meant a reduction in spending on roads.

Capital funding is insufficient to properly support core services so the Comhairle has had to prioritise capital investment. In this term the essential replacement of a Care Home has been at the expense of roads investment

The distribution of general capital to councils is on a simplistic basis of road length and population so does not address the additional costs faced by islands or the significant diseconomies of scale.

Is the current model of funding and delivering roads maintenance, which is split between Transport Scotland and local authorities, the most economic and efficient option?

From an island perspective it would clearly be less efficient to separate out the maintenance of the Spinal Route (which would be the equivalent of a trunk road) from local roads.

Any trunk road operator would need their own plant on the islands both for works and winter maintenance and this would duplicate resources and costs.

The removal of the economy of scale offered by a single roads authority in the islands would be significant. Therefore the Comhairle would not be in favour of any changes from the current delivery model within our islands. However, there should be recognition for the trunk road function performed by the Western Isles Spinal Route. This is a characteristic shared by a number of other routes in island and rural areas of the Highlands and Islands. A mechanism should be investigated to fund these properly, by additional budget to those local authorities for these routes, which would allow variable spend between financial years to more efficiently deliver improvement projects.

Summary

Comhairle nan Eilean Siar welcomes this call for views and would equally welcome the opportunity to present its concerns to the Committee, particularly in relation to the fragility of the materials supply chain.