

PERTH AND KINROSS COUNCIL

Environment & Infrastructure Committee

15 May 2019

Road Maintenance Partnership Agreement

Report by Executive Director (Housing & Environment) (Report No. 19/134)

The report provides the detail about a Member Officer Working Group which examined the arrangements in place for providing a road maintenance service, in partnership with Tayside Contracts. This report proposes the Groups recommendation to enter into an agreement until March 2023.

1. BACKGROUND / MAIN ISSUES

- 1.1 In 2011, the Accounts Commission produced a report, entitled “Maintaining Scotland’s Roads” ([click here](#)) which recommended several areas for action. These included considering a national review of how the road network is managed, and maintained, to stimulate service redesign, and increase the pace of examining the potential for shared services by Scottish councils. The Scottish Government and Scottish local authorities subsequently initiated a National Road Maintenance Review (NRMR), jointly chaired by CoSLA and the Minister for Transport and Islands. The findings of the NRMR, published in July 2012, identified 30 actions under six main themes, including “considering different delivery models, including the scope for greater collaboration and the optimum arrangements for the management and maintenance of roads in Scotland”.
- 1.2 Before finalising its report, the steering group overseeing the NRMR identified the need for a more detailed assessment of the “optimum arrangements for the management and maintenance of roads in Scotland”. A separate report on this issue, published in June 2012, concluded that current arrangements could be improved upon, and that all councils should explore sharing services in the short term.
- 1.3 The Council had agreed prior to the 2012 report that the roads maintenance service for Perth & Kinross Council would be delivered through a trial partnering agreement with Tayside Contracts (Report No 12/131 refers).
- 1.4 Prior to entering the partnering arrangement, Tayside Contracts provided the majority of road construction services to the Council. With the development of the Partnership, the arrangement for award, and payment, of these works remained unchanged. The introduction of the partnership enabled double handling of works and supervision to be streamlined, with posts deleted from the establishment as a result. It also facilitated a more reactive responsive service and joint management of the service, with quarterly reporting to an Executive Board overseeing governance and service delivery.

1.5 This Partnering Agreement was for a 3 year period from 1 April 2012 to 31 March 2015. A review was presented to Committee in January 2015 (Report No 15/25 refers) requesting a further year extension, but with agreement that the arrangement be subject to ongoing review. This was approved by Committee.

1.6 A 2016 follow up report by the Accounts Commission to “Maintaining Scotland’s Roads” ([click here to view](#)) specifically recognised that :

“Tayside Contracts is a well established multi-council consortium established between Angus, Dundee and Perth and Kinross councils in 1996 through a joint committee. It provides services that include roads maintenance, fleet maintenance and winter maintenance. A range of individual collaborative arrangements are in place within the consortium and not all councils are involved in all service areas. Reported benefits include:

- economies of scale enable the delivery of a wide range of services at competitive rates
- delivery of a full range of services from minor potholes repairs to major contracts, possible through the retention of specialist skills and vehicles
- a single management structure which promotes a focus on front-line service delivery
- flexibility to move resources across council areas
- scale of operations has enabled a focus on innovation, such as a cold road paving system (known as TAYSET) and a reed-based system for the treatment of gully waste.”

1.7 At the end of the one year extension in 2016, issues were raised by elected members regarding the working of the Partnership. In mid 2017, a request was made by elected members for a Member/Officer Working Group to review the Partnership and consider the most appropriate way forward.

1.8 Membership of the Group was crossparty, chaired by the then Convener of the Enterprise, Environment & Infrastructure Committee.

1.9 The scope of the review considered the work of the Roads Maintenance Partnership including:

- carriageway and footway maintenance
- carriageway and footway asset management
- road scheme design and project management
- winter maintenance
- emergency response to roads incidents (flooding and weather)

1.10 Membership of the group consisted of:

- Councillor Colin Stewart (Chair)
- Councillor Angus Forbes

- Councillor Willie Wilson
- Councillor Dave Doogan
- Councillor Henry Anderson
- Councillor Xander McDade
- Barbara Renton - Executive Director
- Willie Young – Head of Service
- Stuart D’All - Deputy Partnership Manager (now Manager)
- other council officers or external agencies invited on an ad hoc basis dependant on subject matter

1.11 Over a number of meetings, presentations were delivered by the Deputy Partnership Manager and the Managing Director of Tayside Contracts. These detailed how the service is delivered within the Partnership. Officers were then remitted to consider alternative means of service delivery and the potential benefits of these other methods.

1.12 Five alternative service delivery options were considered and presentations were delivered by organisations providing services under the following alternative models:

- in house Direct Labour Organisation
- award of selective works to Tayside Contracts outwith a partnership agreement (client/contractor split)
- direct award of all works to Tayside Contracts within a partnership
- joint Committee working across multiple local authorities
- partnership with external private company

1.13 The local authorities represented were Aberdeenshire Council, Angus Council, Dundee City Council, East Ayrshire Council and North Lanarkshire Council.

1.14 Elected members took the opportunity to question officers representing the other councils in relation to benefits they deemed were achieved through their own method of delivery.

1.15 At the final meeting of the group in November 2018, following consideration of all information submitted, the view of the MOWG was that the Road Maintenance Partnership between Perth and Kinross Council and Tayside Contracts should be continued through a 4 year agreement.

2. PROPOSALS

2.1 The Road Maintenance Partnership (RMP) supports service delivery through an integrated organisation consisting of both Perth & Kinross Council and Tayside Contracts Road Maintenance employees. Each organisation retains overall responsibility for the terms and conditions of their own employees.

2.2 Governance of the RMP is undertaken by an Executive Board comprising Officers and Tayside Contracts. A Partnership Agreement will cover key areas

such as principles for operational delivery, management of employees, overall responsibilities and dispute resolution.

- 2.3 The Partnership Manager will, for the term of the agreement, be a Perth and Kinross Council employee.
- 2.4 The 2011 Partnership Agreement provided for the Chair of the Partnership Board to rotate between senior managers of the Council and Tayside Contracts annually. It is proposed that this continues for the duration of the new agreement.
- 2.5 Perth & Kinross Council provides a full range of services, including statutory duties associated with the maintenance of the roads infrastructure as required by the Road (Scotland) Act 1984 and the Transport (Scotland) Act 2005. The RMP provides for the effective maintenance of the adopted road network, including footways, to ensure that it is properly maintained in a safe condition and delivers Best Value to the Council.
- 2.6 It is proposed that:-
- (i) the RMP will work to a Partnering Agreement until March 2023 (See Appendix 1).
 - (ii) the RMP will report performance to the Environment & Infrastructure Committee through the annual Roads Status Report
 - (iii) the RMP will comply with financial governance arrangements relating to each organisation while ensuring commercial confidentiality of external contractors.
 - (iv) the RMP will review the Best Value in Procurement of Roads Maintenance Projects agreed by Committee in February 2002, and will report to Environment & Infrastructure Committee during financial year 2019/20.
 - (v) the Managing Director of Tayside Contracts or his nominee will attend Scrutiny Committee on an annual basis to answer questions about the work of Tayside Contracts.

3. CONCLUSION AND RECOMMENDATIONS

- 3.1 The Member/Officer Working Group examined a number of issues in relation to the Roads Maintenance Partnership. This included detailed examination of a review of how works are awarded, the governance arrangements in place and benchmarking of other operational models, taking into consideration the business model of Tayside Contracts. It also considered the national collaboration agenda and work being undertaken with our neighbouring local authorities to enhance further joint working.
- 3.2 It is recommended that the Committee:-
- (i) notes the content of report and the work of the Member/Officer Working Group;

- (ii) approves the Partnering Agreement (2019 – 2023) as attached in Appendix 1 with effect from 1 June 2019;
- (iii) requests the Managing Director or his nominee of Tayside Contracts attends Scrutiny Committee on an annual basis to answer questions about the work of Tayside Contracts; and
- (iv) requests the Executive Director (Housing & Environment) to bring back a report to Committee on the Best Value in Procurement of Roads Maintenance by March 2020.

Author

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Approved

Name	Designation	Date
Barbara Renton	Executive Director (Housing & Environment)	10 April 2019

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	None
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	No
Strategic Environmental Assessment	No
Sustainability (community, economic, environmental)	Yes
Legal and Governance	Yes
Risk	None
Consultation	
Internal	None
External	None
Communication	
Communications Plan	None

1. Strategic Implications

Community Plan / Single Outcome Agreement

- 1.1 The Perth and Kinross Community Planning Partnership (CPP) brings together organisations to plan and deliver services for the people of Perth and Kinross. Together the CPP has developed the Perth and Kinross Community Plan which outlines the key things we think are important for Perth and Kinross.

- i) Giving every child the best start in life
- ii) Developing educated, responsible and informed citizens
- iii) Promoting a prosperous, inclusive and sustainable economy
- iv) Supporting people to lead independent, healthy and active lives
- v) Creating a safe and sustainable place for future generations

- 1.2 It is considered that the actions contained within this report contribute to all of the above objectives.

Corporate Plan

- 1.3 The Council's Corporate Plan outlines the same five objectives as those detailed above in the Community Plan. These objectives provide a clear strategic direction, inform decisions at a corporate and service level and shape resource allocation. It is considered that the actions contained in the

report contribute to the objectives as outlined in paragraph 1.2 above. These objectives are met by implementing schemes which promote road safety.

2. Resource Implications

Financial

- 2.1 There are no direct financial implications within this report.

Workforce

- 2.2 There are no direct workforce implications within this report.

Asset Management (land, property, IT)

- 2.3 There are no land, property, or information technology implications arising from the contents of this report.

3. Assessments

Equality Impact Assessment

- 3.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Carrying out Equality Impact Assessments for plans and policies allows the Council to demonstrate that it is meeting these duties.
- 3.2 The proposals have been considered under the Corporate Equalities Impact Assessment process (EqIA) with the following outcome:
- (i) Assessed as **not relevant** for the purposes of EqIA

Strategic Environmental Assessment

- 3.3 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. The proposals have been considered under the Act and no further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Sustainability

- 3.4 Under the provisions of the Local Government in Scotland Act 2003 the Council has to discharge its duties in a way which contributes to the achievement of sustainable development. Under the Climate Change (Scotland) Act 2009 the Council also has a duty relating to climate change.
- 3.5 The proposals contained within the report are assessed to have a positive impact on sustainability, particularly with regard to encouraging recycling techniques and recycled material use.

Legal and Governance

- 3.6 The Council are required, as Roads Authority under the Roads (Scotland) Act 1984, to manage and maintain the roads held on the List of Public Roads. This report considers the discharge of this duty.

Risk

- 3.7 There are no significant risks associated with the implementation of this project.

4. Consultation

- 4.1 Consultation on the development of this report has been undertaken through the Member Officer Working Group.

5. Communication

- 5.1 No communication has been carried out in preparing this report.

2. BACKGROUND PAPERS

- 2.1 None.

3. APPENDICES

- 3.1 Appendix 1 – Partnering Agreement