

WEST DUNBARTONSHIRE COUNCIL

Report by the Executive Director of Housing, Environmental and Economic Development

Housing, Environment and Economic Development Committee:
2 November 2011

Subject: West Dunbartonshire Council - Roads, Fleet and Open Space Asset Management Plans

1. Purpose

- 1.1** This report seeks committee approval for 3 Asset Management Plans that cover the Council's Fleet, Open Space and Roads Assets aligned to future service delivery over the next 10 years and to seek approval for these strategies

2. Background

- 2.1** The Council recognises that assets are key resources that require to be effectively managed. Effective management of the assets is critical in ensuring that assets are maintained and utilised in the most effective manner to ensure the delivery of sustained services to the communities.
- 2.2** Current guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA) recommends that Local Authorities should classify assets under six generic categories as follows:
- Property:
 - Open spaces:
 - Roads, Structures, Lighting and water related Infrastructure:
 - Housing:
 - Vehicle, Fleet and Plant:
 - Information and Information Technology.
- 2.3** At its meeting on 27 October 2010 the Council agreed and approved the Corporate Asset Management Strategy which required that asset management plans for each of the six generic categories identified by CIPFA be developed and presented for approval to the appropriate Committee.
- 2.4** This report provides the committee three of the above Asset Management Plans that meet CIPFAs current guidance.

3. Main Issue

- 3.1** This section summarises the key element of each of the Asset Management Plans.

Roads

- 3.2** The roads infrastructure which includes roads, footpaths, roads and water related structures, street lighting, traffic management systems and ancillary street furniture is a key and highly visible community asset supporting the national and local economy and contributes to the character, environment and well being of all our communities.
- 3.3** West Dunbartonshire Council is the second smallest Scottish Local Authority by area covering 159 square kilometres, which is mainly urban in character and with a population of some 91.090. The road infrastructure is vital to the economic and social activity within West Dunbartonshire and represents a considerable investment by the Council, as shown in the table below.

WDC Roads Asset Valuation Summary			
Asset	Quantity	Unit	Gross Replacement Value
Carriageway	348.05	km	£390,754,000
Footway footpath etc	662	Km	£93,908,769
Structures (incl. retaining walls)	123	No.	£70,000,000
Street lighting	17,915	No.	£43,453,300
Traffic Management Systems	102	installations	£3,030,000
Street Furniture	estimate	n/a	£1,290,175
Land			£297,075
Total Asset Value			£602,733,319

- 3.4** To maintain a satisfactory level of service for all customers and thereby promote the councils aims of economic growth, social mobility and inclusion it is important that the roads asset is maintained efficiently. Within the current financial climate obtaining maximum value for money spent is also essential.
- 3.5** Once implemented the roads asset management plan will consolidate and augment existing knowledge to produce a comprehensive inventory with associated condition information in a geographically referenced format held on a central database. This information can then be used to inform the budget setting process, target spending and help predict the impact that funding levels may have on the ongoing condition of the asset and levels of service provided. In addition the database system will record defects and associated remedial works, and help to organise cyclic and routine maintenance systems. Compliance with performance standards will also be monitored.
- 3.6** In the longer term the roads asset management plan will allow West Dunbartonshire Council to minimise whole life costs and maximise value for money which is essential given current funding available. It will allow the effect of these budgets to be quantified in terms of deterioration of the asset or reduction in service levels and help identify where spend will maximise value for money, whilst considering the risks and benefits. This systematic approach will transcend annual budget cycles and it will be essential to maximise the long-term benefits of the resources available.

3.7 The strategy will, over the next 10 years period, secure savings across all our road related assets. Capital investment will however be required to realise these revenue savings and business cases will feature as part of a costed asset management plan in future years. At present a business case for street lighting is being developed that will look at investment options and the potential for energy savings to be delivered.

3.8 Developed lifecycle plans for the roads infrastructure has identified that as a result of historic under funding;

- 36% of our carriageways are in need of urgent repair
- 40% of our street lighting apparatus is in need of urgent replacement
- A number of road related structures require attention
- Approximately 30% of the associated road management infrastructure is in need of urgent replacement

The accumulated cost of undertaking this essential refurbishment/ renewal will be in excess of £38 million. Our present level of funding maintains at best a stand still approach to maintaining the road asset. By utilising the asset management plan what budget is available will be focused on areas of need to ensure best value.

Fleet

3.9 The fleet asset consists of 400 vehicles of various size and type with a current replacement value of £10,060,000.

3.10 The annual maintenance and fuel costs associated with operating the fleet is £2,700,000

3.11 The current age profile of the fleet is noted below:

The age profile of the current fleet is as follows;

0 - 1 year	3 vehicles (0.75%)
1-2 years	12 vehicles (3%)
2-3 years	78 vehicles (19.5%)
3-4 years	69 vehicles (17.25%)
4-5 years	18 vehicles (4.5%)
5-6 years	54 vehicles (13.5%)
6-7 years	68 vehicles (17%)
7-8 years	48 vehicles (12%)
8-9 years	19 vehicles (4.75%)
9-10 years	16 vehicles (4%)
10 + years	15 vehicles (3.75%)

Details of the current fleet are contained within the Fleet Asset Management Plans appendices.

- 3.12** The vehicle replacement programme has historically been funded through the General Services Capital Plan. There has been very little investment in vehicle replacement over the past 3 years, resulting in a replacement backlog.

A detailed business case is being developed to provide an investment programme for vehicle replacement. This business case will also review fleet utilisation, vehicle life expectancy and new types of technology that could be introduced (electric/dual fuel vehicles). This is part of the securitisation project. Reference to this is contained within the plan.

- 3.13** The business case will inform the Council's approach to fleet asset management and replacement in future years.

Open Space

- 3.14** The Open Space Asset Management Plan is informed by the Open Space Strategy that has recently been out to public consultation.

- 3.15** The Open Space Asset Management Plan recommends local standards of provision (quality, quantity and accessibility) within the area.

- 3.16** The Open Space asset as defined in planning legislation consists of:

- 3 Urban Parks
- 1 Country Park
- 2 18 Hole Golf Courses
- 80 Children's Play Areas
- 56 Grass and 47 Blaes Pitches
- 10 Cemeteries and Church Yards
- 15 Bowling Greens
- 2 Allotment Sites

404 Ha of open space is maintained by West Dunbartonshire Council.

The location of major open space assets are contained within the plan and are indicated on the maps provided within the plan.

- 3.17** The strategy details key aims and objectives that will contribute to the Council's corporate aims and objectives.

- 3.18** The Greenspace team are in the process of investigating investment opportunities from external funders to improve open spaces classified as low value.

4. People Implications

- 4.1** Effective asset management planning requires cognisance to be taken of workforce planning to ensure staff with the required skills are in place to deliver the attached strategies.

4.2 Should there be any areas of the organisation that requires improvement of skill, training and development will be sourced.

5. Financial Implications

5.1 The financial implications of each of the strategies will be fully identified through the development of detailed business cases. However, the broad financial implications are contained within the plans.

5.2 It should be noted that the roads essential refurbishment will be in the region of £38million. Fleet replacement investment will be in the region of £5million.

5.3 In considering the future and how the benefits of these assets are optimised due consideration will require to be given to influence these plans and the actions arising from them will have on the Council's long term financial plans in terms of both capital and revenue.

6. Risk Analysis

6.1 The current lack of consistent and robust planning in respect of asset management could result in the Council being ill prepared to meet future demands in maintaining its assets. These plans mitigate this risk by developing actions that will address potential risks.

6.2 The aim of the Asset Management Strategies and their associated plans is to ensure that these matters are appropriately prioritised from a corporate perspective and the financial consequences in revenue and capital investments terms can be properly assessed.

7. Equalities, Health & Human Rights Impact Assessment (EIA)

7.1 No significant issues were identified in a screening for potential equality impact of this policy.

8. Strategic Assessment

8.1 The asset infrastructure discussed in this report is fundamental in promoting social and economic regeneration within West Dunbartonshire. The introduction of these asset management plans will assist in the efficient management and maintenance of the assets and associated infrastructure. Best value will be achieved through making the most efficient use of available funding and a best practice approach to management and maintenance of the assets are all promoted through the introduction of the asset management plans.

9. Conclusions and Recommendations

9.1 The three Asset Management Plans provide a framework for the effective management of Roads, Fleet and Open Space assets within West Dunbartonshire. Their aim is to ensure that our assets are managed and maintained in a more corporate, coherent and are prioritised appropriately. This process supports the delivery of key services and assists in ensuring efficiency and effectiveness in meeting the current and future needs and aspirations of communities and visitors within West Dunbartonshire.

9.2 It is recommended that the Committee:

- (a) approve the Roads, Fleet and Open Space Asset Management Plans;
- (b) delegate authority to the Executive Director of Housing, Environmental and Economic Development to ensure the effective implementation of the above plans;
- (c) note that future report(s) on key projects outlined within the Asset Management Plans will be brought to the Committee for consideration; and
- (d) agree that detailed action plans will be presented to a future meeting of the committee; and
- (e) note that the impact of these plans requires to be assessed and reflected in the Council's long term financial plans.

Elaine Melrose
Executive Director of Housing Environmental and Economic Development
Date: 13 October 2011

Person to Contact: Ronnie Dinnie - Head of Neighbourhood Services,
Council Offices, Garshake Road, Dumbarton,
telephone: 01389 737601, e-mail:
ronnie.dinnie@west-dunbarton.gov.uk

Appendices: Appendix 1 - Road Asset Management Plan
Appendix 2 - Fleet Asset Management Plan
Appendix 3 - Open Space Asset Management Plan

Background Papers: Corporate Asset Management Plan

Ward Affected: All