

The Performance Audit Group's Annual Report 2013/14

An independent public report on Scotland's trunk road maintenance



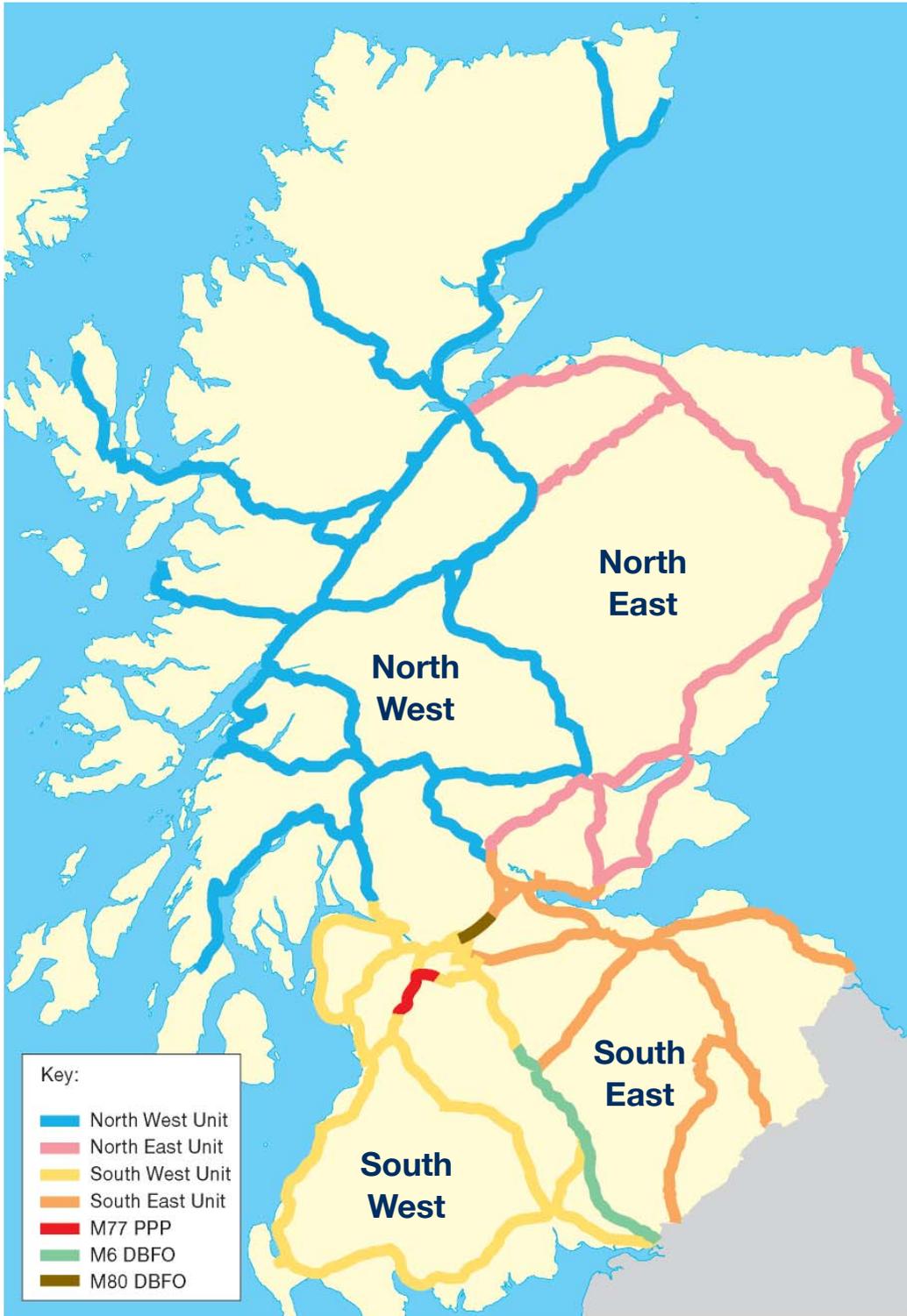


Figure 1 The Scottish trunk road network (2013/14) and how it is divided up for contract purposes (see figures 3-6 for details of the Units)

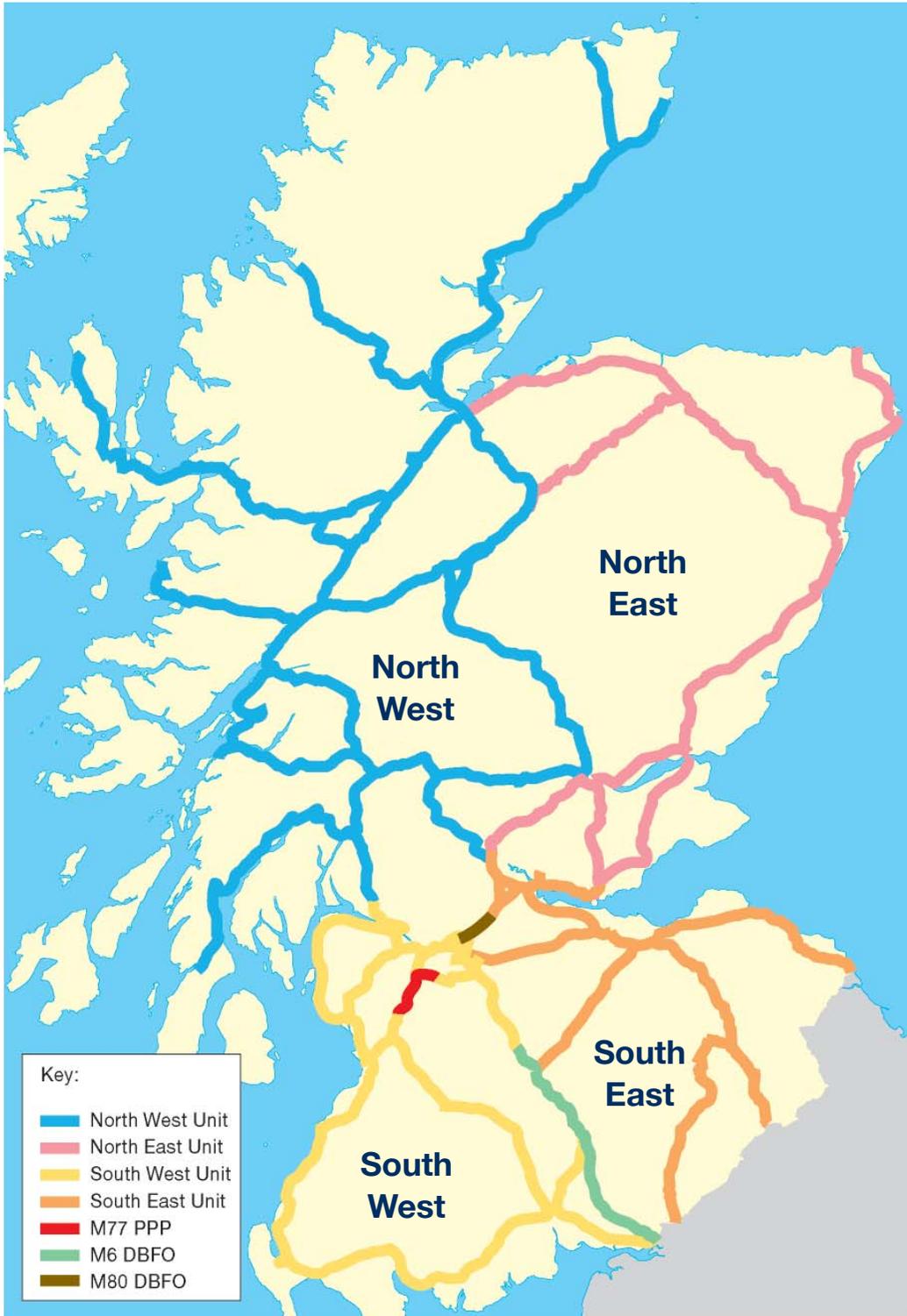


Figure 1 The Scottish trunk road network (2013/14) and how it is divided up for contract purposes (see figures 3-6 for details of the Units)

Foreword

This is the Performance Audit Group's (PAGplus) annual report on the management and maintenance of Scotland's trunk road network for 2013/14.

This report summarises the extensive work carried out by our experienced multi-disciplinary team over the last year, led by CH2M HILL, in association with PricewaterhouseCoopers. Our role is to audit, monitor and report on the performance of the Operating Companies (OC) in managing and maintaining the Scottish trunk road network.

Our team works closely with our client, Transport Scotland who is committed to managing and maintaining the network.

The overall aim of all parties is to raise standards and assist Transport Scotland in providing a safe and reliable network through delivering:

"...routine, cyclic and winter maintenance to maintain the safety, environment and amenity of Scotland's trunk roads."

Transport Scotland's Corporate Plan 2012 - 2015.

Our team's approach to the commission is one of working closely with Transport Scotland and the OCs to provide:

- quality of service
- asset enhancement
- value for money

and collectively deliver sustainable value to all stakeholders.

This reporting year has brought some changes. We assisted Transport Scotland with tendering of the fourth generation (4G) trunk road maintenance contracts. These new contracts were awarded in North West (NW) and South West (SW) in late 2012, and have been in operation since April 2013. This fifth PAGplus annual report is therefore the first to report on work carried out under these 4G contracts.

As the tendering process was staggered, the North East (NE) and South East (SE) continued to operate under the third generation (3G) contracts until August 2014. As a result, this report also covers work carried out under the 3G contracts in these Units.

There was a further increase in the budget available to the OCs in 2013/14, which returned it to the seven year average. This was coupled with the ongoing savings of the 3G and 4G trunk road maintenance contracts since 2006.

The PAGplus team is proud of its ongoing and effective contribution to the successful management and maintenance of Scotland's trunk roads. We are pleased to continue our strong, constructive working relationships with Transport Scotland and the OCs.

We trust you find our latest report clear, comprehensive and informative.

Bruce Lunn,
Commission Manager
PAGplus
CH2M HILL
November 2014

Executive summary

This was the final full financial year of the 3G contracts for BEAR in NE and SE. In addition, the first tranche of the 4G contracts started, with BEAR in NW and Scotland TranServ in SW.

Overall, performance in the East Units was good, with SE performing demonstrably better than the previous year. Both NW and SW should have delivered better performance in the first year of the 4G contracts.

Transport Scotland demonstrated its continued commitment to managing and maintaining the Scottish trunk road network, with a 16.4% increase in budget to £129.6m. Overall spend by the OCs was £130.3m (net of contract price fluctuation), which was within 1% of the budget.

In 2013/14, the OC contracts delivered £14.6m of savings, with cumulative savings of £135m from the start of 3G in April 2006.

The OCs continued their excellent performance in minimising delays and disruption to road users. Overall, 99.3% of the network was available during the year, despite an increase in the number of roadworks sites, possibly due to the increased investment.

The number of reportable accidents to HSE reduced significantly from the previous year, demonstrating the OCs highly responsible attitude to health and safety.

The OCs' operated their management systems successfully, although SW was slower than expected in closing out issues of non-conformance.

NE and SE successfully completed their programmes of safety and detailed inspections, whereas NW and SW performed poorly, particularly in detailed inspections. The programmes of structures inspections and reporting were successfully completed by all OCs.

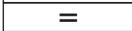
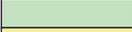
BEAR performed well in NE and SE in repairing category 1 defects on time, whereas performance was poorer in NW and in particular SW. In general, the OCs performed well in carrying out planned maintenance for roads and structures. However, with the exception of SE, where performance was good, the OCs should have performed better in undertaking cyclic maintenance activities.

In 2013/14 it was the wettest winter in Scotland in over 100 years, with fewer periods of frost, and snowfall generally confined to higher levels. All OCs continued to perform well both in preparing for and delivering the winter service. The OCs responded well in dealing with emergencies/incident response across the network. In NW, the diversion route on A83 at Rest and Be Thankful was successfully used for the first time following a landslide.

For the fifth successive year there were no remedial notices issued in NE and SE, with three remedial notices issued for poor performance during 2013/14, one in NW and two in SW. However, NE, NW and SW should have performed better in dealing with issues of non-conformance.

Performance at a glance

PAGplus has used a rating system to assist in benchmarking OC performance. These performance ratings have been applied throughout the Annual Report to reflect overall OC performance for the various areas reviewed. This performance at a glance table is a summary of these ratings and, where relevant, provides a comparison with OC performance in 2012/13.

Key:		Excellent		Performance better than last year
		Good		Performance unchanged from last year
		Fair		Performance worse than last year
		Poor		Activity not reviewed in 2012/13
		Very poor		

	NE	SE	NW	SW
Chapter 2 Network management				
2.1 Network reliability				
2.1.2 Availability of the network to road users	=	=		
2.2 Network safety				
2.2.1 Safety inspections and patrols	▼	▼		
2.2.2 Detailed inspections - roads	▼	=		
2.2.3 Inspecting structures	=	=		
2.3 Inventory management				
2.3.1 RMMS/RMMF	▼	=		
2.3.2 SMS				
2.3.3 Electrical assets	=	▲		
2.4 Traffic management				
2.5 Sustainability	▲	▲		

Performance at a glance

	NE	SE	NW	SW
Chapter 3 Network maintenance				
3.1 Cyclic maintenance				
<i>Grass cutting</i>	▼	▲		
<i>Weed control</i>	=	=		
<i>Soft landscaping</i>	=	=		
<i>Sweeping, cleansing and litter</i>	▼	▲	N/A	
<i>Drainage, gullies and ironwork</i>	=	▲		
<i>Signing, signals, road markings and studs</i>	=	▲		
<i>Structures</i>	▲	▲		
3.2 Reactive maintenance				
<i>Lighting</i>	=	▲		
<i>Safety fences, barriers and fencing</i>	=	=		
<i>Carriageway condition</i>				
3.2.1 Repair of category 1 defects	=	=		
3.2.2 Emergencies / incident response	=	▲		
3.2.3 Winter service				
<i>Winter readiness</i>	=	=		
<i>Winter decision making</i>	=	▲		
<i>Winter service response times</i>	▲	=		
<i>Winter service treatment times</i>	▲	=		
<i>Electronic data logger downloads</i>	▲	▲		
<i>Management of salt stocks</i>	=	=		
<i>Winter related road closures</i>	N/A	N/A	N/A	N/A
3.3 Planned maintenance				
3.3.1 Statements of intent	N/A	N/A		
3.3.2 Roads	=	▲		
3.3.3 Structures	▲	=		
3.4 Works contracts				
<i>Tender documents</i>	=	=	N/A	
<i>Supervision</i>	=	▲		

Performance at a glance

	NE	SE	NW	SW
Chapter 4 Quality of service				
4.1 Management systems				
<i>Quality management - maintaining compliance</i>	=	=		
<i>Quality management - rectifying non-compliance (PAGplus)</i>	▲	▲		
<i>Quality management - rectifying non-compliance (Internal)</i>	=	=		
<i>Health and safety management</i>	▲	▼		
<i>Environmental management</i>	▲	▲		
4.2 Information systems				
<i>CCMS/CCMF</i>	=	=	N/A	N/A
4.3 Continous improvement	▼	▲		
Chapter 5 Value of service				
5.1 Financial Spend				
5.1.3 Budgets, orders and spend				
<i>Budgetary control</i>	=	=		
<i>Orders v spend</i>	=	=		
5.2 Financial management				
5.2.1 Submission of financial information				
5.2.2 General financial management				
5.3 Commercial matters				
5.3.1 Measurement issues				
5.3.2 Claims				

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Bishopton on M8 in SW

Chapter 1

Overview

Background

The Scottish trunk road network

The network is divided into four geographic Units (NE, SE, NW and SW) and three DBFO/PPP projects, each with its own contract (see figure 1).

Each of the four Units (see figures 3 to 6) is managed and maintained by an OC. Figure 2 outlines the structure of these arrangements.

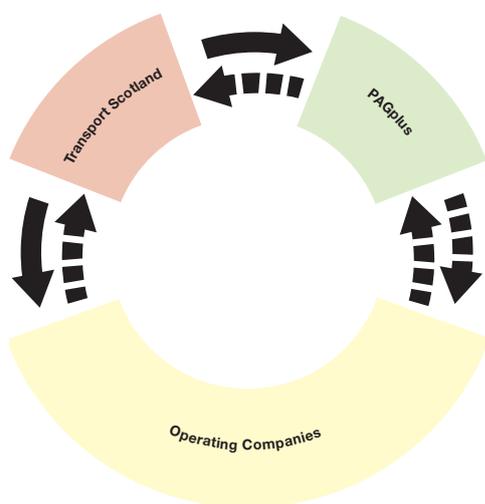


Figure 2 - Structure of arrangements between Transport Scotland, PAGplus and the OCs

The network is 3,218km long, excluding M6 DBFO, M77 PPP and M80 DBFO. It contains a total of 5,530 structures, including 1,848 bridges and footbridges.

The OC contracts

Since 1 April 2007, the 3G contracts in NE and SE have been managed and maintained by BEAR Scotland Ltd, an independent company jointly owned by Jacobs Engineering, Breedon Aggregates and Eurovia. These contracts continued until 15 August 2014.

The contracts for NE and SE were re-tendered in 2013 and as from 16 August 2014, BEAR Scotland Ltd and Amey have responsibility for managing and maintaining NE and SE respectively. These contracts will be in place until at least August 2020.

The 4G contracts in NW and SW have been managed and maintained by BEAR Scotland Ltd and Scotland TranServ (a joint venture between Balfour Beatty and Mouchel)

respectively since 1 April 2013. These contracts will be in place until at least March 2018.

The development of the 4G contracts gave an opportunity to improve on the already high standards achieved under the 3G arrangements. Overall, the 4G contracts take a similar form to the 3G contracts, but the opportunity was taken to clarify some requirements and given an improved level of service for activities including:

- defect inspections and recording
- category 1 defect repairs
- incident response
- enhanced performance management requirements.

The contracts' objectives

The contracts to manage and maintain the network were awarded by the Scottish Ministers, and focus on the following three objectives:

- Customer service – “to enable a ‘customer oriented’ approach to be further developed in the way roads are managed and maintained.”
- Value for money – “to achieve the maximum efficiency in the use of the substantial sums of money expended on the maintenance of the network.”
- Effective management – “to encourage innovation and skilful management to maximise trunk road capacity and achieve the best use of the network.”

The contracts also aim to encourage:

- Flexibility – “to accommodate changes to the trunk road network.”

Spend figures

In this report all spend figures include for CPF (inflation) unless stated otherwise.

Performance ratings

PAGplus uses a star rating system to assist in benchmarking OC performance. These performance ratings have been applied throughout the report.

The ratings used are:

- ★★★★★ Excellent
- ★★★★☆ Good
- ★★★☆☆ Fair
- ★★☆☆☆ Poor
- ★☆☆☆☆ Very poor

A summary of these ratings can be found in the ‘Performance at a glance’ section of this report.

Chapter 1

Overview

North East fact file



Figure 3 - NE Unit

Managed and maintained by: BEAR Scotland Ltd.

BEAR's central office:
BEAR House
Inveralmond Road
Inveralmond Industrial Estate
Perth
PH1 3TW.

Total route length of the network in NE: 613km
Number of structures: 636
Budget for maintaining trunk roads in NE this period: £25.0m

Chapter 1 Overview

South East fact file



Figure 4 - SE Unit

Managed and maintained by: BEAR Scotland Ltd.

BEAR's central office:
6A Dryden Road
Bilston Glen
Loanhead
EH20 9TY.

Total route length of the network in SE: 551km
Number of structures: 844
Budget for maintaining trunk roads in SE this period: £23.4m

Chapter 1

Overview

North West fact file



Figure 5 - NW Unit

Managed and maintained by: BEAR Scotland Ltd.

BEAR's central office:
BEAR House
Inveralmond Road
Inveralmond Industrial Estate
Perth
PH1 3TW.

Total route length of the network in NW: 1,331km
Number of structures: 2,378
Budget for maintaining trunk roads in NW this period: £42.1m

Chapter 2

Management of service

Key points

Network reliability

- The OCs' performance in minimising the delays and disruption to road users was excellent.
- Overall, 99.3% of the network was available to road users in 2013/14, despite an increase in the number of roadworks sites from the previous year.
- In general, the OCs were placing notices in the Scottish Road Works Register (SRWR).

Network inspections

- The performance of NE and SE in carrying out safety and detailed inspections was good.
- In NW and SW there was significant room for improvement in carrying out both safety and detailed inspections.
- NE, SE and NW all successfully completed their structures inspections well ahead of programme, whereas performance was fair in SW.

Inventory management

- Audits by PAGplus of all OCs identified areas for improvement in maintaining and updating RMMS/RMMF inventory.
- With the exception of SE where performance was good, the other OCs have performed less well in uploading information and updating inventory in the Structures Management System (SMS).
- Performance was good in NE and SE in inspecting electrical assets. There was room for improvement in maintaining and updating the electrical asset inventory in the West Units, especially SW.

Traffic management

- Good performance in traffic management was delivered by NE and SW, with fair performance by SE and NW.

Sustainability

- All OCs delivered good performance in implementing sustainable practices into their operations.

Chapter 2

Management of service

2.1 Network reliability

Network reliability

The delivery of Transport Scotland's investment by the OCs is pivotal to a safe, efficient, reliable and sustainable network.

The OCs are required to minimise the potential disruption and inconvenience to road users caused by essential maintenance by planning works, combining activities and coordinating with all stakeholders, including statutory undertakers.

2.1.1 Coordinating roadworks

In 2013/14, there were 19,598 roadworks sites across the network, an average of 54 per day (48 per day in 2012/13). This was due to increased activity in all four Units. Figure 7 shows the number of roadworks sites in each Unit during the year.

Unit	Number of roadworks sites
NE	5,558
SE	4,963
NW	5,180
SW	3,897

Figure 7 - Number of roadworks sites in 2013/14 (source Traffic Scotland Automated Diary Facility)

The OCs used a variety of measures to reduce disruption and maintain network availability and safety during roadworks. These included:

- Traffic management measures such as contraflows, use of temporary vehicle restraint systems, lateral safety zones and convoy working
- Media campaigns and variable message signs
- Increased stakeholder consultation
- Communication on road closures
- Road closures with agreed diversion routes.

2.1.2 Availability of the network for road users – all Units ★★★★★

The OCs' performance in minimising the impact of roadworks is measured as a key performance indicator (KPI) in 3G and a Monitoring Indicator (MI) in 4G. This is

based on the length of a lane closure and the amount of time that lanes are occupied. These road occupation values are used to calculate the overall percentage of the network available to road users.

There was excellent performance by the OCs in keeping the network open (see figures 8 and 9). Overall, availability was 99.3%, similar to previous years.

Unit	KPI value	% Available
NE	165,849	98.94
SE	114,379	99.15
Total	280,228	99.05

Figure 8 - KPI reporting road occupations and percentage of network available to road users

Unit	MI value	% Available
NW	0.048	99.95
SW	0.052	99.95
Total		99.95

Figure 9 - MI reporting road closures and percentage of network available to road users

2.1.3 Scottish Road Works Register

The Scottish Road Works Commissioner was established under the Transport (Scotland) Act 2005 to oversee the planning and coordination of works on Scotland's roads by all roads authorities and statutory undertakers.

The SRWR is a database used by all roads authorities and statutory undertakers to register and coordinate all proposed work. It is also used to monitor reinstatement, supervision and road work history. Every public road in Scotland is included in the SRWR. The Scottish Road Works Commissioner is the Keeper of the SRWR.

The OCs have responsibility for:

- checking all trunk road information is accurate
- coordinate the execution of works affecting the trunk roads and monitor the performance of undertakers in fulfilling the relevant legislative requirements
- registering their own works in accordance with the appropriate legislation.

Chapter 2

Management of service

In early 2014, PAGplus started monthly monitoring to determine whether the SRWR was being correctly populated and updated with planned road works by the OCs. PAGplus checks that works listed in Traffic Scotland's Automated Diary Facility (ADF), which the OCs utilise to log all activity and are required to update daily, replicate accurately the SRWR.

In general, the OCs were found to be noticing road works information to the SRWR. However, all OCs could improve consistency in site location descriptions. PAGplus monitoring noted there were minor differences in dates recorded between the ADF and the SRWR for all Units.

In February 2014, a remedial notice was issued to NW for a failure to place correct notices on the SRWR. The OC had only provided three days' notice before commencement of preparatory works for the resurfacing works on the Kessock Bridge and did not place a notice on SRWR for the resurfacing works themselves in January 2014. For these major works the required notice period is three months. However, it was noted that the OC had undertaken a major communications strategy including media coverage regarding the works.

2.1.4 Abnormal loads

Abnormal load movement is one of the network management tasks which is delegated to the OCs. Each OC provides an abnormal load routing and coordination service within its Unit and liaises with hauliers and other statutory bodies.

One of the key aspects of the service is assessing the suitability of bridges and other structures on the network to carry heavy loads as well as the suitability of routes to carry wide or long loads.

In 2013/14, the OCs approved 460 abnormal load applications (508 applications approved in 2012/13).

2.1.5 High loads

Unlike abnormal load movement, high loads are not specifically covered by legislation.

All OCs continued to undertake assessments, sign reviews and identify mitigation measures at high risk sites, such as low operational rail bridges over trunk roads.

Transport Scotland and the OCs provide coordination and route planning advice for high load movements on request.

In addition, Transport Scotland has published on its website the "High Load Grid", a collection of advisory routes on the Scottish trunk road network for extremely high loads.

Since Transport Scotland introduced its over-height vehicle strategy, the number of bridge strike incidents across the network has remained low.

2.2 Network inspections

Inspections

To deliver reliable journey times, ensure safety of the network and ensure budgets are allocated to areas of most need, the OCs are required to implement inspection regimes.

Weekly safety inspections/ patrols are carried out on all routes to identify and repair the most serious defects quickly.

To maintain the safe condition of the trunk road assets, detailed inspections are carried out, typically annually, to identify minor defects. These defects are grouped into schemes, which are prioritised based on need.

Chapter 2

Management of service

2.2.1 Safety inspections and patrols

Figure 10 gives the OCs' performance in completing safety inspections on time.

Unit	2013/14	2012/13	2011/12
NE	99.6%	100.0%	99.9%
SE	99.5%	99.4%	99.1%
NW	78.2%	N/A	N/A
SW	84.6%	N/A	N/A

Figure 10 - Safety inspection performance

NE – BEAR ★★☆☆☆

Overall performance was good, a dip from the previous year.

The OC completed 99.6% of safety inspections and patrols on time, continuing its performance levels from the previous year.

PAGplus shadow inspections found that BEAR was generally identifying category 1 defects in its safety inspections, however, issues were noted in the classification of road marking defects.

SE – BEAR ★★☆☆☆

Overall performance dipped to fair.

BEAR maintained its performance levels, with 99.5% of safety inspections and patrols completed on time.

However, PAGplus shadow inspections found a significant number of category 1 defects not being identified and recorded by the OC.

PAGplus will monitor this activity closely for the remainder of the contract in 2014.

NW – BEAR ★★☆☆☆

Performance by BEAR was poor. Overall, 78.2% of safety inspections and patrols were recorded as having been completed on time. This comprised 95.1% of safety inspections and 43.6% of night time safety patrols.

PAGplus raised hazard notices for poor third party traffic management, which the OC had failed to identify and respond to.

PAGplus also raised hazard notices in relation to instances of poor carriageway condition, which the OC had not picked up during its own safety inspections.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland TranServ ★★☆☆☆

Scotland TranServ's performance was poor, with only 84.6% of safety inspections and patrols recorded as having been completed on time. This comprised of 95.5% of safety inspections and 62.5% of night time safety patrols.

PAGplus shadow inspection found numerous examples of safety related category 1 defects which Scotland TranServ had failed to record as category 1 defects. Many of these had either not been identified or recorded as category 2 defects.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

2.2.2 Detailed inspections – roads

Performance by the OCs in completing detailed inspections in 2013/14 is shown in figure 11.

Unit	2013/14	2012/13	2011/12
NE	99.8%	98.1%	99.0%
SE	96.6%	94.4%	99.0%
NW	31.4%	N/A	N/A
SW	19.6%	N/A	N/A

Figure 11 – OC performance in completing detailed inspections

NE – BEAR ★★☆☆☆

Overall, performance dipped to good.

BEAR improved its excellent KPI performance for detailed inspections. However, during an audit it was identified that manhole covers had not been removed to allow inspection of linear drainage systems.

SE – BEAR ★★☆☆☆

The OC's performance for detailed inspections was again good.

Chapter 2

Management of service

In NW and SW there were minor issues with the detailed inspection module in IRIS, where the OCs record their inspection information. Although there was a minor change to one aspect of this module, it was fully functional from May 2013 onwards. Both NW and SW were slow to utilise the detailed inspection module.

NW – BEAR ★☆☆☆☆

BEAR’s performance was very poor throughout 2013/14. It was slow to utilise the detailed inspection module and only carried out 31.4% of the required detailed inspections. This resulted in a notice of non-conformance (NNC) being issued in January 2014, which was still open at the end of 2013/14. Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

SW – Scotland TranServ ★☆☆☆☆

Overall, the performance by Scotland TranServ was very poor. It was slow to utilise the detailed inspection module and only completed 19.6% of the required detailed inspections during 2013/14. This resulted in an NNC being issued in January 2014, which was still open at the end of 2013/14.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

2.2.3 Inspecting structures

Maintaining structures

The OCs are required to inspect structures at regular pre-determined intervals and prepare programmes to manage and maintain them. The OCs must then design, procure and carry out works either directly or through tendered works contracts.

The term ‘structures’ includes bridges, footbridges, underpasses, culverts, retaining walls, sign gantries, high mast lighting and CCTV masts. Regular inspections are carried out at two and six yearly intervals.

The OCs are also required to carry out cyclic maintenance tasks to structures each year. Management and maintenance of the Forth and Tay road bridges are not the responsibility of the OCs.

The OCs have an obligation to inspect all structures within their respective Units. The inspection year generally runs from February to November in each calendar year.

Two types of inspections are routinely undertaken:

- General inspection – visual inspections carried out every two years.
- Principal inspection – close inspection of every structural element carried out every six years.

Other inspections may be carried out on a needs basis. These may include superficial, scour or special inspections, usually following severe weather, sudden change in condition or a major incident.

Inspections enable the current condition and any defects to be noted and recorded in the Structures Management System (SMS). Based on the inspections, each OC develops a programme of prioritised proposals for essential maintenance work within the available budget.

In 2013/14, the OCs carried out 487 principal inspections and 1,453 general inspections, less than the previous year.

A breakdown of the inspections completed by Unit, and the overall performance of each OC is shown in figure 12.

Unit	Principal Inspections	General Inspections	Completed on time
NE	64	188	100%
SE	55	296	100%
NW	247	481	100%
SW	121	488	100%
Total	487	1,453	100%

Figure 12 - OC performance in completing principal and general inspection programmes

NE – BEAR ★★★★★

Performance by BEAR continued to be excellent, with 100% of the principal and general inspections completed well ahead of programme.

SE – BEAR ★★★★★

Overall, performance by BEAR improved to excellent, with 100% of the principal and general inspections completed well ahead of programme.

Chapter 2

Management of service

NW – BEAR ★★★★★

Overall, performance by the OC was excellent with 100% of the principal and general inspections completed well ahead of programme.

SW – Scotland TranServ ★★☆☆☆

Overall, the performance by the OC was fair.

Although the majority of principal and general inspections were completed on programme, a remedial notice was issued when it was identified for a number of structures, the principal inspections had not been carried out in accordance with the contract requirements.

The remedial notice was subsequently closed following the OC's re-inspection of these structures.

PAGplus will monitor this activity closely in 2014/15.

2.3 Inventory management

2.3.1 Routine maintenance and management system / function (RMMS/RMMF)

The RMMS/RMMF is a computer based system operated by the OCs, which contains the inventory of trunk road assets. The OCs are responsible for recording all works carried out on the network and updating and archiving the inventory as necessary. The accuracy of the inventory is important as data is used to assist and establish budgets and programmes.

The 4G contract required the OCs to verify the inventory within the first annual period of the contract.

NE – BEAR ★★☆☆☆

BEAR's performance was poor, a dip from the previous year.

An audit was carried out which identified that parts of the inventory were either missing or inaccurate. This raised concerns that the OC had not been checking and updating the accuracy of the inventory in RMMS for the duration of the 3G contract.

PAGplus will work closely with the OC to ensure performance improves for the remainder of the contract in 2014.

SE – BEAR ★★☆☆☆

BEAR maintained its fair performance from 2012/13. An audit identified the OC had not been updating inventory in RMMS when changes occurred. As a result, the OC undertook to check and update all inventory for schemes constructed since the start of 3G.

PAGplus will continue to monitor this activity closely for the remainder of the contract in 2014.

NW – BEAR ★☆☆☆☆

The OC's performance was very poor as it failed to verify the inventory records within the first year of the contract, resulting in an NNC being issued and subsequently closed.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

SW – Scotland TranServ ★☆☆☆☆

Scotland TranServ's performance was very poor as it failed to verify the inventory records within the first year of the contract, resulting in an NNC being issued, which remains open.

An audit of the maintenance of manholes on M8 found the inventory to be inaccurate.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

2.3.2 Structures management system (SMS)

During 2013/14, the OCs were responsible for managing 5,530 structures on behalf of Transport Scotland. These are recorded in SMS.

Structures range from culverts carrying watercourses under roads to major estuarial crossings such as A898 Erskine Bridge and A87 Skye Bridge.

Of these structures, 1,848 are bridges or footbridges. Small pipes and culverts are not classed as structures and are not subject to the full inspection regimes applied to structures.

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A breakdown of the type and number of structures in each Unit, as extracted from SMS, is shown in figure 13.

Unit	Bridges	Foot-bridges	Other Structures
NE	294	15	327
SE	347	15	482
NW	583	63	1,732
SW	487	44	1,141
Total	1,711	137	3,682

Figure 13 – Number and type of structures in each Unit (source SMS)

In 4G there are additional requirements to upload information into SMS relating to maintenance operations undertaken on structures.

NE – BEAR ★★☆☆☆

BEAR's performance was fair in relation to uploading information and updating the inventory in SMS. Transport Scotland had to remind the OC to upload documents on several occasions.

PAGplus will monitor this activity closely for the remainder of the contract in 2014.

SE – BEAR ★★☆☆☆

Performance by the OC was good. In general, the OC addressed Transport Scotland's requests for uploads in a timely manner.

NW – BEAR ★★☆☆☆

Overall, the OC's performance was poor in uploading information and updating the inventory in SMS. Uploading of Damage to Crown Property (DCP) forms was carried out in accordance with Transport Scotland requirements.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland TranServ ★★☆☆☆

The performance of Scotland TranServ was poor in uploading information and updating the inventory in SMS. As in NW, uploading of DCP forms was carried out in accordance with Transport Scotland requirements.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

2.3.3 Electrical assets

During 2013/14, NW and SW were audited on the accuracy of the electrical inventory within RMMF, as 4G requires the OCs to verify the accuracy of the inventory within the first six months of the contract.

All OCs are required to inspect, on a five-yearly cycle, all electrical assets across the trunk road network. In addition, the 4G contract requires 20% to be completed each year.

NE – BEAR ★★☆☆☆

BEAR maintained its good performance from the previous period.

SE – BEAR ★★☆☆☆

In SE, BEAR's performance improved to good.

NW – BEAR ★★☆☆☆

BEAR's performance was fair.

An audit was undertaken on the accuracy of the electrical asset inventory, which highlighted the inventory was incomplete and attributes within the inventory were noted to be incorrectly assigned. However, PAGplus did note that electrical assets were in good condition.

A total of two ORIs were raised relating to electrical assets during the year.

PAGplus will monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★☆☆☆

The performance of Scotland TranServ was poor during 2013/14.

An audit was undertaken on the accuracy of the electrical asset inventory, which highlighted the OC was not reporting correctly the condition of electrical assets, reporting defects, ensuring labelling of electrical assets is clear and replaced where necessary, and populating IRIS with accurate inventory. Poor performance was noted in relation to undertaking the required electrical asset inspections, where no inspections have been reported as complete in IRIS.

A total of six ORIs were raised by PAGplus relating to electrical assets during the year.

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PAGplus will work closely with the OC to ensure performance improves in 2014/15.

2.4 Traffic management

NE – BEAR ★★★★★☆

Overall, BEAR's performance was good, with some issues noted during the year. These included incorrect safety zone delineation and traffic management signing.

SE – BEAR ★★★★★☆

Overall, BEAR's performance was fair. A number of ORIs and one hazard notice were issued for traffic management which was not compliant with requirements, such as lateral safety zone not in place and traffic management signs being obscured by works vehicles.

PAGplus will monitor this activity closely for the remainder of the contract in 2014.

NW - BEAR ★★★★★☆

Overall, BEAR's performance was fair. A number of ORIs and two hazard notices were issued for traffic management not being compliant with requirements. Issues raised included lack of safety zones, lack of sufficient coning, lack of advance warning signage. BEAR was noted to have responded appropriately once these issues were raised to its attention.

PAGplus will monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★★★★☆

Overall, Scotland TranServ's performance was good, with few issues noted.

One hazard notice was issued for grass cutting operations taking place without a delineated safety zone. Scotland TranServ halted work on receipt of the hazard notice to allow a review of operations to be undertaken.

2.5 Sustainability

The Scottish Government has set a target to reduce carbon emissions by 42% by 2020 and by at least 80% by 2050.

Transport Scotland, PAGplus and the OCs will continue working together to provide a more sustainable service and assist in achieving these ambitious goals.

A sustainability monitoring system developed by PAGplus and based on CEEQUAL parameters was continued throughout 2013/14, with site visits undertaken each month to determine the OCs performance.

In addition, two sustainability monitoring indicators reporting on 'waste generation and management' and 'use of reused, recycled, renewable materials', were introduced by agreement in 3G in 2012/13. These were continued in 2013/14 in the East Units and incorporated into the 4G Contacts in the West Units.

NE and SE – BEAR ★★★★★☆

Both OCs' performances were good, significantly improving on the previous year.

PAGplus site visits and completion of scheme sustainability monitoring checklists, identified that the OCs were implementing relevant mitigation measures and were managing schemes in line with legislation. There is room for further innovation if BEAR considers local environment enhancements.

Waste generation and management and the use of reused, recycled and renewable materials were also monitored.

For both OCs it was evident that improvements were made in waste management, as the majority of waste recorded was recycled. However, very little information was supplied to PAGplus to document the use of reused, recycled and renewable materials. BEAR has room for improvement in this area.

NW – BEAR ★★★★★☆

BEAR's performance was good, managing the sustainable aspects of schemes in an efficient manner.

Completion of the PAGplus sustainability monitoring checklists highlighted that the OC was complying with basic practice and legislative requirements. However, more consideration could be given to improving the local environment at the design stage to achieve best practice. BEAR performed well when removing its site waste materials for reuse or recycling, with a reported average of 89.8% for the year. However, the OC had a very poor record of incorporating materials from reused, recycled or renewable sources. A figure of 0% was reported for 11 months of the year.

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SW – Scotland TranServ ★★★★★

Overall, Scotland TranServ’s performance was good.

For the first half of the year the OC performed poorly with regards to delivery of its Environmental and Sustainability Reviews. Additional resourcing led to an improved performance as the year progressed.

In order to help meet government targets to reduce emissions and waste, Scotland TranServ employed innovative construction methods within maintenance schemes. A large resurfacing scheme was completed using the “crack and seat” technique. This reduced the amount of material required to form the surfacing by almost a quarter and the waste that had to be removed from site. As a result, the number of construction vehicles travelling to and from site, and their associated emissions, were reduced.

Scotland TranServ has also reported an average of 24.0% of materials coming from reused, recycled or renewable sources. The OC’s figures show 94.8% of its site waste material was reused or recycled.

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Key points

Cyclic maintenance

- With the exception of SE, where overall performance was good, the other OCs performed less well in areas of cyclic maintenance.
- SW performed well in grass cutting, weed control and soft landscaping, with room for improvement by the other OCs.
- Overall, improved performance was required in dealing with drainage issues, signs, road markings and road studs by the OCs, except for SE where performance was good.
- Structures cyclic maintenance performance by all OCs was good.

Reactive maintenance

- All OCs performed well in repairing safety fences, barriers and fencing and dealing with lamp outages across the network.
- Performance in maintaining carriageway condition in NE and SE was good, with poor performance in NW and SW.
- NE and SE performed well in repairing category 1 defects on time, with some issues around defect classification to be addressed.
- Improvement required in NW and in particular SW in repairing category 1 defects on time, defect classification and clearing the backlog of repairs.
- All OCs performed well, particularly SE, in dealing with emergencies/incidents across the network.

Winter

- It was the wettest winter in Scotland for over one hundred years, with fewer periods of frost, and snowfall generally confined to higher levels.
- The overall performance by the OCs both in preparing for winter and subsequent decision making and actions to deal with winter conditions was good, particularly in NE and SE.
- With the exception of SW, where performance was generally fair, the other OCs performed well for winter response times and data logger downloads.

Planned maintenance

- 4G statements of intent (SOI) were introduced across a number of areas of operation. Both NW and SW performed well in preparing SOIs.
- NE, SE and SW delivered planned maintenance for both roads and structures to a good standard, with fair performance in NW.

Works contracts

- Overall, in NE and SE preparation of tender documents was good, whereas SW performed less well. There were no tender documents submitted by NW.
- In general, all OCs delivered a good standard of supervision on works contracts.

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3.1 Cyclic maintenance

Cyclic maintenance

The OCs carry out various cyclic maintenance activities on the network in order to keep it operational, safe and tidy. These include operations such as cleaning gullies and catchpits, cutting grass and cleaning road signs.

The OCs are required to update RMMS/RMMF when they carry out these operations.

Spend on cyclic maintenance

Total spend on cyclic maintenance during 2013/14 was £4.97m (in 2012/13 it was £5.13m).

Grass cutting

NE – BEAR ★★☆☆☆

Performance dipped to poor.

Two NNCs were issued and subsequently closed. The first was for utilising unapproved landscape inventory drawings, and the second was for poor performance in grass cutting. There were also issues with strimming works being out of step with the main swathe cut. However, performance improved at the end of the year.

PAGplus will work closely with the OC to ensure performance improves for the remainder of the contract in 2014.

SE – BEAR ★★☆☆☆

Performance was fair, improving from the previous year.

Overall, grass height was maintained within specification, however, areas were noted to fall outwith specification. Strimming and mowing activities were better synchronised than previous years, with an overall improvement.

PAGplus will continue to monitor this activity closely for the remainder of the contract during 2014.

NW – BEAR ★★☆☆☆

Overall, performance was poor.

Grass cutting was poor at the start of the year, although it improved following the issue of an NNC in July 2013, which was subsequently closed in August 2013 following receipt of a clear action plan to remedy the issues raised. The OC failed to comply with contract requirements for swathe cutting close to boundary lines at various locations, and collecting and removing from site the first grass cuttings.

The OC carried out an internal audit to identify the causes of the issues raised in the NNC, resulting in improved performance (see figure 14).



Figure 14 – Grass cutting on A82 in NW

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland TranServ ★★☆☆☆

Scotland TranServ's performance was good throughout the year, with only a few minor issues identified.

Weed control

NE – BEAR ★★☆☆☆

Overall, performance continued to be fair.

Weed growth was evident throughout the year with some die-back following treatment noted late in the season. In addition, there was no evidence of removal of dead/dying weeds nor a reduction in the occurrences and extent of injurious weeds.

PAGplus will continue to monitor this activity closely for the remainder of the contract during 2014.

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SE – BEAR ★★☆☆☆

Overall, performance was again fair.

Weed treatment was generally carried out effectively throughout the season. Some locations, such as chipped centre reserves and in particular filter drains, had significant weed growth at varying times throughout the year but were substantially weed free prior to the end of the reporting period.

PAGplus will continue to monitor this activity closely for the remainder of the contract during 2014.

NW – BEAR ★★☆☆☆

Overall, performance was fair.

Although weed treatment was carried out, and was more evident in the south of the Unit, the OC did not remove die-back until the latter part of the year. However, on A9 performance was noted as good over the season.

PAGplus will monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★☆☆☆

Performance was good.

Overall treatment was effective, however, dead weeds were left to break down naturally rather than being removed.

Soft landscaping

NE – BEAR ★★☆☆☆

Performance was again good.

Minor issues of siding out and overhanging vegetation at footpaths were identified at a few locations and were addressed by the OC.

SE – BEAR ★★☆☆☆

Performance continued to be good.

Only a few minor issues were raised for controlling vegetation and obscured signs, which were promptly addressed by the OC.

NW – BEAR ★★☆☆☆

Overall, performance was fair. PAGplus identified instances of vegetation not being cleared from site following cut back and an untidy finish in a number of areas.

The OC took positive steps to deal with other landscaping issues such as cutting back of vegetation to improve overtaking sightlines on A9 and removal of overhanging vegetation on A85.

PAGplus will continue to monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★☆☆☆

Overall performance by the OC was good, with few issues raised by PAGplus.

Litter picking

Responsibility for litter picking on the trunk road network, excluding motorways and special roads, rests with the local authorities.

Each OC is required to issue its grass cutting programme to relevant local authorities. This is intended to ensure an integrated approach to cutting grass and litter picking. If litter is not removed prior to grass being cut, it is shredded by grass cutting equipment. Shredding of litter makes removing it more difficult.

If a local authority is deficient in its litter picking duties, the OCs are responsible for contacting the local authority to highlight their concerns.

Sweeping, cleansing and litter

In April 2013, Transport Scotland established a protocol, which set out the process the OCs should follow for sweeping carriageway channels where local authorities had failed to undertake their responsibilities.

NE – BEAR ★★☆☆☆

Performance was fair.

With the exception of M90, litter clearance and sweeping is the responsibility of the local authorities.

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On M90, performance was fair in undertaking sweeping when required. Litter picking was noted, however, as accumulations were observed, some of which took time to be cleared.

Various locations were identified where the local authority had not been sweeping the channels and there had been a build-up of detritus. As such, BEAR should have implemented the channel sweeping protocol. However, the OC was subsequently slow to undertake these operations.

PAGplus will monitor this activity closely for the remainder of the contract during 2014.

SE – BEAR ★★☆☆☆

Overall, BEAR's performance improved to good.

The OC improved its sweeping and litter picking activities following the introduction of night time closures on appropriate roads. On those roads, where it is a local authority responsibility, the OC liaised with the local authorities regarding litter clearance.

NW – BEAR N/A

BEAR is not directly responsible for litter clearance and sweeping within the Unit.

However, the OC is expected to act if levels of litter or detritus are not cleared by the local authority and they become a safety or drainage issue. Some issues were identified on high speed sections of roads, and at more remote junctions, including roundabouts, where the OC should have promoted more frequent use of the sweeping protocol.

SW – Scotland Transerv ★★☆☆☆

Overall, performance was poor.

A remedial notice was issued in February 2014 for poor performance in channel sweeping on motorways. The OC also failed to implement the protocol for sweeping trunk roads other than motorways and special roads where required.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

Drainage, gullies and ironwork

NE – BEAR ★★☆☆☆

Performance remained poor.

The NNC issued in April 2013 for failing to fully complete filter drain harrowing, through non-removal of the detritus which builds up adjacent to the carriageway, was closed in June 2013 following the submission of a suitable action plan. However, a further NNC was issued in December 2013 as the OC did not implement the agreed action plan in relation to the original NNC. This NNC remains open.

BEAR continued to empty gullies, identify areas prone to flooding and take remedial action where required. However, it was also noted that not all gullies were being fully cleaned.

PAGplus will work closely with the OC to ensure performance improves for the remainder of the contract in 2014.

SE – BEAR ★★☆☆☆

BEAR's performance improved significantly to good.

The OC successfully introduced a drainage strategy to allow it to rank drainage problems and prioritise repair works. The NNC issued in 2012/13 for filter drain harrowing was closed following completion of the harrowing programme.

Issues were identified with slot drain maintenance on A720 following a PAGplus review, which the OC is working to resolve.

NW – BEAR ★★☆☆☆

Overall, BEAR's performance was poor.

Several issues were raised throughout the year, including failure to produce flooding reports and gully cleaning. However, drainage grips were generally well maintained.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland Transerv ★★☆☆☆

Overall performance was fair.

PAGplus carried out three gully maintenance reviews, and

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concluded that the condition of the majority of the gullies in the locations inspected were clear and free draining. Some issues were noted including identifying gullies which require more frequent cleaning and a lack of flooding reports.

An NNC was issued after the end of the period (May 2014) for performance in 2013/14 as the OC had failed to submit reports for all flooding incidents within SW. This was subsequently closed out in June 2014.

PAGplus will monitor this activity closely during 2014/15.

Signing, signals, road markings and studs

NE – BEAR ★★☆☆☆

The OC's performance continued to be fair.

BEAR was slow to replace missing or worn road markings and comply with contract timescales for replacement of road studs. There were instances where missing node markers and missing and faded road markings defects were incorrectly categorised in RMMS.

PAGplus undertook a review of road studs and found a high number of missing studs on various routes across the Unit. The OC developed a programme to rectify these deficiencies.

PAGplus will continue to monitor this activity closely for the remainder of the contract in 2014.

SE – BEAR ★★☆☆☆

Performance was good, improving significantly from last year. The OC undertook a programme of sign renewal, and road marking and road stud replacement throughout the year. This allowed the NNC issued in 2012/13 to be closed in July 2013. However, this programme has not yet been completed across the Unit.

The OC undertook additional training of its inspectors to further improve the categorisation of road marking defects.

NW – BEAR ★★☆☆☆

BEAR's performance was poor, with many issues raised during the year, including missing or worn road markings, road studs and hazard marker posts. The OC failed to develop and manage an effective programme of works

to address these issues. An NNC was issued in January 2014 and remains open.

PAGplus reviews noted poor performance in the identification and recording of defects in RMMF in relation to road markings and road studs.

BEAR made progress in the recording and repair of defective items in the fourth quarter of 2013/14 (see figure 15).

PAGplus will work closely with the OC to ensure performance improves in 2014/15.



Figure 15 - Newly installed hazard marker posts on A85 in NW

SW – Scotland TranServ ★★☆☆☆

Overall, Scotland TranServ delivered a poor performance.

At the start of the year performance was fair but deteriorated as the year progressed. Issues identified included numerous locations with missing or worn road markings, and the non-reinstatement of road markings and road studs following surfacing operations.

An NNC was issued in November 2013 for non-replacement of road markings on resurfacing schemes. This was subsequently closed with an improved performance noted.

PAGplus undertook a review of centreline road studs on four routes across the Unit. This highlighted varying performance by the OC in identifying and replacing road studs.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

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Structures

The OCs are required to carry out cyclic maintenance to structures to keep them in optimum operating condition and deal with minor recurring maintenance issues. These activities include clearing vegetation, cleaning movement joints and construction gaps, checking and cleaning bearings and bearing ledges, checking parapets, mesh infills and connections to safety fences.

In 4G, cyclic maintenance of structures is carried out twice each year, whereas in 3G it is only once per year.

NE – BEAR ★★★★★☆

BEAR's performance improved to good.

Generally, the management and operation of structures cyclic maintenance activities were carried out to a good standard.

SE – BEAR ★★★★★☆

A good and improved performance was delivered by BEAR.

NW – BEAR ★★★★★☆

BEAR delivered good performance during 2013/14.

The OC was slow to complete the first round of cyclic maintenance, but completed the second by the end of January.

SW – Scotland TranServ ★★★★★☆

In SW, Scotland TranServ's performance was good. It completed all cyclic maintenance operations on programme and to a good standard, however, there were delays in recording the information in SMS.

3.2 Reactive maintenance

Spend on reactive maintenance

Total spend on reactive maintenance during 2013/14 was £6.8m for the East Units (2012/13: £6.0m).

It should be noted there is no reactive maintenance spend in 4G, as all routine maintenance operations are either core operations or planned maintenance.

Lighting

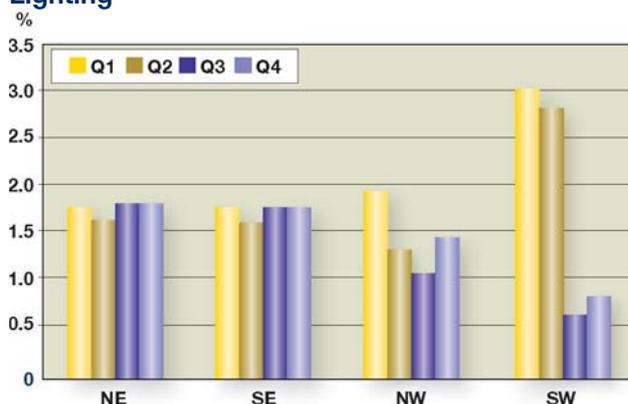


Figure 16 – OC performance for lamp outages

Figure 16 shows OC performance against a maximum target of 2% lamp outages.

NE – BEAR ★★★★★☆

BEAR continued to deliver excellent performance with the KPI threshold for lamp outages achieved.

SE – BEAR ★★★★★☆

SE delivered excellent and improved performance. The lamp outages KPI threshold was achieved and no other issues were noted.

NW – BEAR ★★★★★☆

Performance was excellent as reflected in the MI results for lamp outages.

SW – Scotland TranServ ★★★★★☆

Overall, performance was fair.

In SW, although the MI results for lamp outages were excellent with an annual figure of 1.8%, the OC was not recording all lamp outages in RMMF. This was evident for the high mast lighting on M8 following a PAGplus night time lighting scout, with numerous lamp outages unrecorded and unrepaired.

PAGplus will monitor this activity closely during 2014/15.

Safety fences, barriers and fencing

NE – BEAR ★★★★★☆

Performance was again good with BEAR carrying out the majority of required repairs within contract timescales.

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A few issues were noted throughout the year with defective barriers not being repaired or incorrectly classified for repair.

SE – BEAR ★★★★★☆

Overall, the OC again delivered good performance.

BEAR continued to repair damaged safety fences and undertook a programme of safety fence upgrades.

NW – BEAR ★★★★★☆

Overall performance was fair.

The OC carried out most safety fence repairs within contract timescales. However, there were some locations where damaged safety fences were left unrepaired and in an unprotected condition.

PAGplus will monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★★★★☆

In SW, good performance was noted with most safety fence repairs completed within the required timescales. There were issues with the timely repair of pedestrian safety barriers.

Carriageway condition

NE – BEAR ★★★★★☆

BEAR's performance was good. Repairs to open centreline joints and potholes were carried out timeously.

SE – BEAR ★★★★★☆

Overall, a good performance was noted.

NW – BEAR ★★★★★☆

BEAR delivered poor performance.

Ten hazard notices were issued by PAGplus for sections of carriageway which required immediate attention by the OC. At several locations on A83 and A9, the carriageway had deteriorated to the extent that "Uneven road surface" signing was required as a safety measure. The defects on A9 were subsequently resurfaced.

Category 1 defects were not always repaired within the required timescales, with some requiring a number of temporary repairs.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ's performance was poor.

A number of category 1 defects were not repaired within the required timescales. In addition, numerous carriageway defects were incorrectly categorised by the OC.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

3.2.1 Category 1 defects

Category 1 defects

Category 1 defects are the most serious defects, generally safety related which, once identified by the OC, should be made safe within 24 hours or quicker for certain defects and permanently repaired within 28 days. Details of all category 1 defects are recorded in RMMS/RMMF along with details and dates of all temporary and permanent repairs.

Damaged bridge parapets identified as category 1 defects are made safe using temporary safety barriers. However, these repairs can take longer due to the need to obtain or fabricate parts and use sector scheme trained and registered contractors.

As can be seen from figure 17, there was a contrast in performance between the OCs in 2013/14, with SW performing significantly poorer than the other OCs.

This contrast was also evident in the numbers of category 1 defects identified across the network, with SW recording significantly more defects than the other OCs (see figure 18).

Unit	2013/14	2012/13	2011/12
NE	96.7%	98.2%	96.2%
SE	95.6%	95.7%	94.6%
NW	93.9%	N/A	N/A
SW	64.3%	N/A	N/A
Total	1,711	137	3,682

Figure 17 – OC performance in repairing category 1 defects

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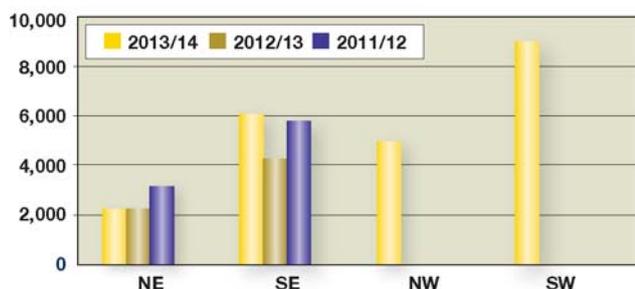


Figure 18 – Number of category 1 defects

NE – BEAR ★★☆☆☆

BEAR's performance remained good during 2013/14.

However, some issues were identified with incorrect classification of category 1 defects, particularly in relation to road markings.

SE – BEAR ★★☆☆☆

Performance in SE was again good, with the KPI figure remaining above the threshold throughout the period. As in NE, some issues were identified with incorrect classification of category 1 defects, particularly in relation to road markings.

NW – BEAR ★★☆☆☆

Overall performance by BEAR was fair throughout the year.

PAGplus route inspections and auditing identified a number of issues with incorrect classification of category 1 defects. The number of category 1 defects open beyond the contract repair period of 28 days increased throughout the year.

PAGplus will monitor this activity closely during 2014.15.

SW – Scotland TranServ ★☆☆☆☆

Scotland TranServ's performance was very poor during 2013/14.

Two NNCs were issued during the year. The first was for failure to enter category 1 defect information into RMMF, which was subsequently closed. The second NNC was for not repairing category 1 defects within contract timescales and this remained open at the end of the year.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

3.2.2 Emergencies/ Incident response

Emergencies/ Incident response

In 4G the term "incident response" replaced the 3G term "emergency".

The OCs must provide resources to deal immediately with emergencies/incidents on the network or to assist the emergency services.

Emergencies/ incidents include:

- debris removal
- overturned lorries
- road traffic accidents/breakdowns
- landslips
- flooding
- serious carriageway defects
- bridge/gantry strikes
- spillages
- incidents due to adverse weather.

The OCs are required to respond to emergencies/ incidents as quickly as possible and within specific timescales depending on the type of road.

Spend on emergencies/ incidents

During 2013/14 the total spend for emergencies and incident response was £1.23m (in 2012/13 it was £2.13m).

Trunk road incident support service (TRISS)

TRISS operates on routes in the NE, SE and SW where it has been identified there is potential for major delays due to breakdowns or other incidents. Transport Scotland did not require a TRISS in NW in 2013/14, however, a TRISS vehicle began operating in this Unit in 2014/15.

The overall aims of TRISS are to:

- clear up incidents more quickly
- offer assistance to broken down vehicles
- reduce congestion
- free up police time.

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TRISS vehicles are specially adapted and equipped high roofed liveried vans. They are operated by trained staff working for the OCs. When TRISS is not attending incidents, roadside tasks, such as litter collection can be undertaken. The target time for TRISS to get to an incident is 20 minutes if called out by Traffic Scotland, the OC control room or the police.

Emergency / incident response

In addition to TRISS, each OC is responsible for responding to emergencies/incidents across the Unit within specific timescales. Overall the total number of emergencies/incidents attended by the OCs increased from the previous year by 2.8%. A mild, wet winter resulted in the OCs responding to many flooding incidents.

A KPI/PI is used to measure whether the OCs' response times are within contract timescales. In 3G, performance is measured by a KPI reported quarterly, whereas in 4G the PI is reported monthly. Figure 19 shows the annual average OC performance in dealing with emergencies / incident response.

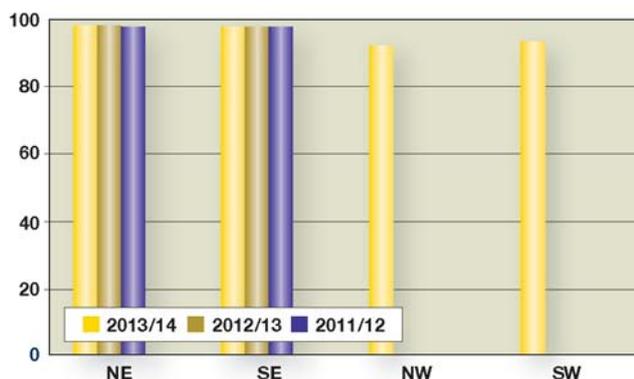


Figure 19 – Emergency / incident response performance

NE – BEAR ★★☆☆☆

Continued good performance was provided by the OC.

SE – BEAR ★★☆☆☆

BEAR delivered excellent and improved performance.

NW – BEAR ★★☆☆☆

Performance by BEAR was fair.

The overall yearly average PI for responding to incidents on time was slightly below the threshold value, however, the OC only met the PI threshold in two out of twelve months.

On A83 at Rest and Be Thankful the 'old military road' diversion route was used for the first time in March 2014, when a landslide blocked the trunk road. The OC was quick to respond to this and various other landslides on A83 and A82.

PAGplus will monitor this activity closely during 2014/15.

SW – Scotland TranServ ★★☆☆☆

Scotland TranServ's performance was fair.

Overall, the annual average PI for responding to incidents on time was slightly below the PI threshold value. However, monthly PI results were generally below the threshold required for the first eight months, but following an internal review performance improved in the fourth quarter.

PAGplus will monitor this activity closely during 2014/15.

Hazard notices

Hazard notices are issued to OCs immediately when PAGplus identifies hazardous defects/situations, whether these are the responsibility of OCs or third parties.

Hazards found on the network can include:

- poor traffic management
- faulty traffic signals
- exposed electrical wiring
- missing/broken ironwork and gullies (within trunk road boundary)
- dangerous carriageway defects (potholes)
- debris on the carriageway.

A total of 41 hazard notices were issued by PAGplus during 2013/14 (see figure 20) compared to 21 and 20 issued in each of the previous two years. Of these, 31 hazard notices were issued in NW, which included eight due to poor traffic management by third parties.

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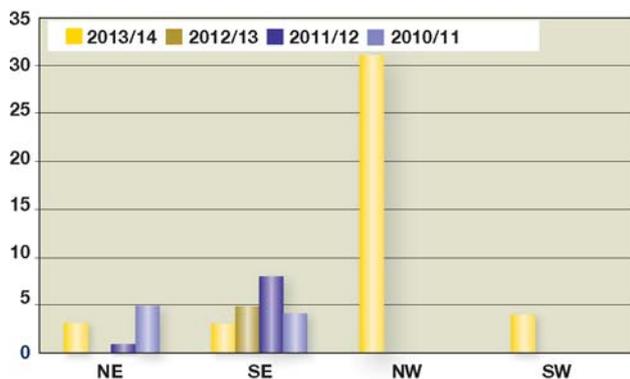


Figure 20 - Number of hazard notices issued

3.2.3 Winter

Winter treatments

During the winter period, which runs from 1 October through to 15 May, the OCs must minimise delays and disruptions caused by snow and ice. To do this, the OCs carry out precautionary and reactive winter treatments.

When forecasts change significantly or surface conditions become unexpectedly icy, reactive treatments are undertaken. The response times for these reactive treatments are monitored by a KPI.

The OCs decide which treatments are necessary to comply with the contract. They are also required to keep records of the work they do to maintain the network in winter.

Winter service

Total spend on winter service during 2013/14, including salt, was £13.10m, 9.2% of the overall spend on the network (2012/13: £11.90m and 8.6%).

The OC contracts require a 24-hours a day, 7 days a week dedicated and efficient service throughout the winter period. The objective is to keep the network free from ice and snow as far as is reasonably practicable, hence reducing risks to road users.

Winter weather conditions

Met Office records highlighted the winter of 2013/14 was exceptionally stormy with persistent heavy rainfall throughout the season. It was the wettest winter in Scotland since 1910. The unsettled weather meant that conditions were mild, with snowfalls largely confined to higher levels and fewer periods of frost.

Winter service improvements

In NE and SE, mobile road sensors were fitted to patrol vehicles and frontline spreaders. These sensors recorded live temperature information for use by winter fleet drivers and office based OC staff monitoring winter service.

In SE, traffic management stock was again deployed at motorway junctions to enable closure of the on slips at short notice, if required.

BEAR introduced route based forecasting in NW during the year. This allowed the OC to better plan its winter treatments, and target its resources based on route needs rather than area based forecasting.

Pre-winter exercises – all Units

A number of pre-winter events/exercises were carried out during the year to improve delivery and resilience and share best practice. These included:

- NE and NW ran a one-day scenario based training event attended by both OCs, Police Scotland, neighbouring local authorities and other stakeholders.
- Scotland TranServ organised a seminar to demonstrate how weather forecasts are produced.
- 2013/14 SE hosted a scenario based winter resilience exercise, attended by various stakeholders including Scotland TranServ, Police Scotland, local authorities and others.

Performance assessment

PAGplus assessed the OCs' performance for the following areas over the 2013/14 winter period:

- winter readiness
- winter decision making and actions
- winter service KPI/PIs
- management of salt stocks
- road closures.

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Winter readiness – all Units ★★★★★

Winter preparedness audits were carried out in all four Units prior to the start of the winter season. Two findings raised in NE regarding issues with salt stock levels and spreader calibration certificates were actioned timeously by the OC. The audits concluded that the OCs were in general prepared for winter, as required by the contract.

Winter decision making

Transport Scotland and the OCs held regular weekly teleconference calls to support winter decision making. At these calls the OCs reported on the winter service undertaken during the preceding week and reviewed the weather forecasts for the following week with Transport Scotland to assess the winter service preparations. When severe weather was forecast the frequency increased to daily teleconference calls, with the addition of Met Office and Police Scotland to support strategic winter decision making and network resilience.

During the winter, period PAGplus undertook a number of retrospective reviews of the OCs' winter decision making and performance.

NE – BEAR ★★★★★☆

Overall, performance by BEAR was again good.

One winter performance review was carried out by PAGplus. The OC's planned treatments were found to be acceptable. However, BEAR's record keeping and the justification of its decision making had room for improvement.

SE – BEAR ★★★★★☆

Winter performance improved to fair.

One winter performance review was carried out by PAGplus. The planned treatment for the period reviewed was satisfactory. However, due to poor monitoring the actual treatment undertaken by the OC was inappropriate for the weather conditions, which developed earlier than forecast. BEAR's record keeping and the justification of its decision making had room for improvement.

As the OC will not be responsible for winter service in 2014/15, it has no opportunity to improve performance.

NW – BEAR ★★★★★☆

Overall, BEAR's performance was fair.

Four winter performance reviews were undertaken by PAGplus following particularly severe weather events. The reviews identified issues including poor monitoring and reaction to changing conditions, inadequate records of decision making and the OC not providing all the winter service plan identified in its Winter Service Plan. BEAR's record keeping and the justification of its decision making had room for improvement.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ delivered a good performance.

No reviews of winter performance were undertaken in this Unit.

Winter Service KPI/Pis

In 3G, the OCs report their performance in undertaking winter duties using three KPIs. These cover:

- response times
- treatment times
- successful electronic data logger downloads.

In 4G, these three areas were combined into one PI. However, the OCs also reported these three parts separately, which allowed comparisons to be made across all four Units.

Winter service response times

This measures how quickly a reactive de-icing treatment commences. Treatment must start within one hour of the decision being made (see figure 21).

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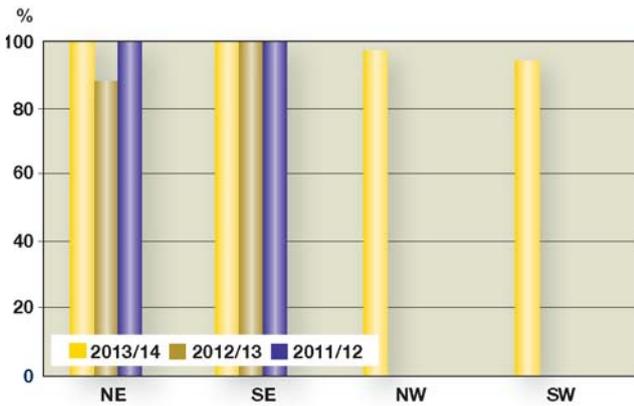


Figure 21 – Winter response time performance

NE – BEAR ★★★★★

Excellent and improved performance in meeting winter service response times compared to last year.

SE – BEAR ★★★★★

BEAR continued to deliver an excellent performance.

NW – BEAR ★★★★★☆

Overall, BEAR’s performance was good in meeting response times.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ’s performance was fair.

PAGplus will monitor this activity closely during 2014/15.

Winter service treatment times

This measures OC performance in completing precautionary treatments across all routes within the contractual timescale of two hours (see figure 22).

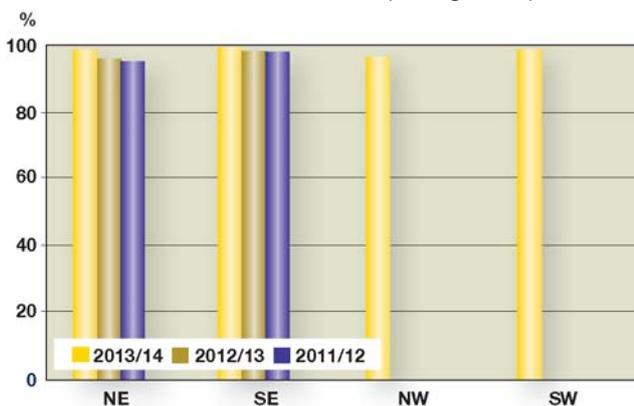


Figure 22 – Precautionary treatment time performance

NE – BEAR ★★★★★☆

Overall, BEAR’s performance in completing precautionary treatments was good, improving from the previous year.

SE – BEAR ★★★★★☆

BEAR maintained its good performance from the previous year.

NW – BEAR ★★★★★☆

BEAR achieved good performance in completing winter service treatments during the year.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ’s performance in completing precautionary treatments was good.

Successful electronic data logger downloads

The data loggers record, in electronic format, the location, date, time and de-icing material spread rate of spreaders on the Network. The OC is required to download this information after each treatment as a record of operations undertaken. The KPI/PI measures the percentage of successful electronic data logger downloads (see figure 23).

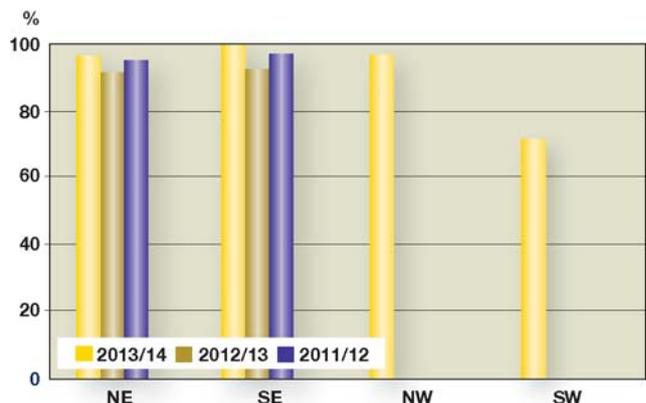


Figure 23 – Successful data logger download performance

NE – BEAR ★★★★★☆

BEAR’s performance at downloading data logger information improved significantly to good.

SE – BEAR ★★★★★

BEAR delivered excellent and significantly improved performance at downloading data logger information.

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NW – BEAR ★★★★★

Excellent performance from BEAR this year in data logger downloads.

SW – Scotland TranServ ★★☆☆☆

Overall, performance was poor from Scotland TranServ in data logger downloads during the year.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

Management of salt stocks – all Units ★★★★★

All OCs continued to be proactive in managing salt stocks and maintained close liaison with Transport Scotland.

Regular teleconferences were held with Transport Scotland and the OCs, with more frequent conference calls undertaken in advance of and during wintry and windy conditions.

There were no recorded issues with the management of salt stocks during the period.

Winter related road closures – all Units N/A

There was a similar number of winter related closures to the previous two years (see figure 24).

There were no winter related road closures over four hours in NE, SE and SW, with four recorded in NW.

Winter period	No of Winter related major incident road closures
2013/14	4
2012/13	3
2011/12	2
2010/11	15
2009/10	21
2008/09	3
2007/08	6

Figure 24 – Number of winter related major incident road closures in last seven years

3.3 Planned maintenance

Maintaining roads and structures

Planned maintenance is carried out to maintain the network. This typically includes:

- reconstruction and resurfacing of carriageways
- application of surface dressing and anti-skid surfacing
- upgrading and/or replacing damaged safety fencing
- replacing road markings and studs
- remedial works and maintenance to structures, including concrete repairs, waterproofing, movement joint and parapet replacement.

These operations are carried out by the OC for scheme values up to £250k in 3G and £350k in 4G. Larger schemes are procured using works contracts (see section 3.4).

3.3.1 Statements of intent audit

In 4G, Statements of Intent (SOIs) and Value for Money (VfM) assessments are required for all routine maintenance, strategic road safety and, minor improvement schemes with a value of more than £10k, and for structures schemes valued at more than £50k. In 3G, the minimum value was £50k and was only for routine maintenance and structures schemes. There is a more detailed SOI process for road structural maintenance schemes.

NW, SW – BEAR and Scotland TranServ ★★★★★

PAGplus conducted audits in NW and SW in February and March 2014, which confirmed that performance by the OCs was good in preparing SOIs and VfM assessments in line with contract requirements.

3.3.2 Roads

NE – BEAR ★★★★★

Overall, BEAR maintained its good performance, with good quality workmanship being delivered during the construction of schemes using experienced resources. Supervision and records were of a good standard at sites visited and at post completion reviews in the OC's offices.

Schemes completed included laying TS2010 thin surface course on M90. For schemes visited by PAGplus

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good traffic management arrangements were noted, often utilising 'convoy working', and health and safety procedures complied with requirements.

PAGplus undertook visual reviews of schemes approaching one year from construction to check for defects. These reviews noted the schemes had been well constructed, with few defects identified.

SE – BEAR ★★★★★

BEAR's performance improved to good from the previous year.

Experienced resources delivered good workmanship with good quality records being maintained to a high standard on the sites visited by PAGplus. This was reflected at post completion reviews in the OC's offices.

Schemes completed during the year include surfacing schemes on M9 and A7. Health and safety procedures complied with requirements and supervision and traffic management arrangements were good at sites inspected by PAGplus.

Following the one year from construction reviews of schemes by PAGplus, which only found some minor issues at some sites, BEAR carried out remedial action to address the defects identified.

NW – BEAR ★★★★★

A fair performance was delivered by BEAR during the year. The OC completed schemes including overlays, inlays, application of anti-skid surfacing and replacement of road markings and road studs.

On the A82 Tarbet lighting scheme, the OC had proposed replacing all lighting columns and installing LED lamp heads. However, following a PAGplus review, which identified a significant number of columns were in good condition, the OC redesigned the scheme resulting in the retention of half of the original lighting columns and significant cost savings.

PAGplus observed good site supervision by experienced personnel, good traffic management, workmanship and record keeping. However, a number of sites required remedial actions.

All health and safety procedures and requirements were complied with on sites, and monitoring of sustainability and environmental site issues were well reported.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★

Scotland TranServ's performance was good.

Schemes completed during the year included overlays, inlays, application of anti-skid surfacing, replacement of road markings and road studs.

Sites observed by PAGplus were supervised by experienced personnel, with a good standard of record keeping for operations. Traffic management was of a high standard, with additional improvements to site safety being adopted from March 2014.

Health and safety procedures complied with requirements on sites. Monitoring of sustainability/ environmental issues was carried out to a good standard.

3.3.3 Structures

Structures

The planned structures inspections, together with other priority remedial works already identified, feed into the 1 and 3 year programmes of planned maintenance needs, which are updated annually. This maintenance work is programmed based on the budgets available to each OC.

Planned maintenance schemes are vital to maintain structures in good serviceable condition and require careful planning, prioritisation and coordination.

The OCs design and implement planned maintenance schemes. This work typically includes:

- re-waterproofing of bridge decks
- resurfacing of bridge decks
- replacement of deck joints
- concrete repairs
- repainting of steelwork
- repair and replacement of parapets
- repair of scour damage at watercourses.

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Delivery of service

NE – BEAR ★★★★★☆

Overall, BEAR's performance was good, improving from 2012/13, despite a poor start during the first half of the year.

Following concerns being raised by Transport Scotland at the delays to the refurbishment works at Keith-Dufftown Railway, Haughs Rail Phase 3 and Bogie bridges on A96, performance improved in the second half of the year and these schemes were completed satisfactorily.

SE – BEAR ★★★★★☆

BEAR maintained a good performance.

The OC identified and successfully repaired a drainage problem on A876 Clackmannanshire Bridge.

BEAR designed and installed temporary propping to the south end arch span of the historically important A7 Old Tweed Bridge, which allowed it remain open for pedestrians (see figure 25). Thereafter, the OC carried out site investigations and produced an options report for the refurbishment of the bridge scheduled for 2014/15.

Several small schemes were successfully completed over the year, including upgrading safety fence tie-ins to bridge parapets and joint replacements. Several of these schemes were slow to progress. The OC cited poor weather and delays in receipt of materials from suppliers as the reasons for the slow progress.



Figure 25 – Old Tweed Bridge temporary propping being installed on A7 in SE

NW – BEAR ★★★★★☆

BEAR's performance over the year was fair. The delivery of a significant number of schemes, including schemes handed over from 3G, was delayed or reprogrammed for 2014/15 due to available staff resource issues.

Two out of three works contracts were completed late and the OC only delivered 13 out of 39 of its programmed improvement works schemes.

Other works undertaken during the year included joint replacements and masonry and steel parapet works. Minor maintenance was also carried out on four swing bridges.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ's performance was good with a number of schemes being delivered during 2013/14, including works to refurbish a number of gantries on M8.

Other works undertaken were joint replacements, bridge deck waterproofing, steelwork painting and scour works. Various repair works were also undertaken on Erskine Bridge, White Cart Viaduct and Kingston Bridge.

3.4 Works contracts

Works contracts

Schemes with an estimated value greater than £250k in 3G and £350k in 4G, but less than £5m are generally put out to tender as works contracts. The OCs manage the procurement of works contracts through design to supervision of construction on behalf of Transport Scotland.

Schemes of a value greater than £5m are generally managed by Transport Scotland's Major Transport Infrastructure Projects Directorate team and are outside the OCs' responsibilities.

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Delivery of service

Tender documents

Prior to contractors being invited to tender for works contracts, the OCs submit draft tender documents to PAGplus for review (see figure 26). PAGplus undertakes a high level review of all draft tender documents submitted and a detailed review of at least 25% of tender documents received each year.

NE and SE – BEAR ★★★★★☆

Six sets of tender documents were received by PAGplus for review in 2013/14, with the standard of preparation good.

NW – BEAR N/A

No tender documents were submitted to PAGplus for review during 2013/14.

SW – Scotland TranServ ★★★★★☆

Two sets of tender documents were submitted. The PAGplus review identified a number of significant issues with one set of documents. These were subsequently addressed by the OC prior to the works contract being tendered.

PAGplus will monitor this activity closely in 2014/15.

Unit	Number received 2013/14	Number received 2012/13	Number received 2011/12
NE	2	2	6
SE	4	5	5
NW	0	2	0
SW	2	1	0
Total	8	10	11

Figure 26 - Number of tender documents received by PAGplus

Supervision

NE – BEAR ★★★★★☆

BEAR's performance remained good. Three works contracts were completed during 2013/14, A90 Charlestown to Damhead, A92 Easter Kingsleith to Rathlett and A9 Crieff Road Bridge Phase 2.

All works contracts had full time supervision from BEAR ensuring quality and contract compliance, and were completed ahead of programme.

A9 Crieff Road Bridge Phase 2 refurbishment works (see figure 27) were substantial, requiring closure of the northbound carriageway. Transport Scotland commended the OC on the successful supervision of the works, its close liaison with the local authority and stakeholders and its close monitoring of the traffic management, which caused no delay to the travelling public.



Figure 27 - Crieff Road Bridge works in progress on A9 in NE

SE – BEAR ★★★★★★

BEAR's performance improved to excellent. Four works contracts were completed during 2013/2014.

There were three works contracts on the original programme, M8 Dechmont Eastbound Phase 2, M9 Chartershall to Cambusbarron Northbound and A702 Biggar. However, additional funding in January 2014 allowed Transport Scotland to bring forward M8 J4 to Whitburn.

The works contracts had full time supervision by the OC ensuring quality and contract compliance, and were delivered within programme.

Chapter 3

Delivery of service

NW – BEAR ★★★★★☆

Performance by BEAR was good.

Two of the three works contracts on site during the year, A9 Kessock Bridge and A82 Allt Chonoglais Bridge, started under the 3G contracts in 2012/13, with supervision being undertaken by BEAR from the start of 4G. The other works contract was A9 Portgower Bridge, which started on site during 2013/14.

A9 Kessock Bridge included waterproofing and resurfacing of the deck and replacement of the safety barriers. This scheme was completed by the end of June 2014. BEAR's supervision of these works was good.

A82 Allt Chonoglais Bridge replacement was completed on programme and within budget in mid-August 2013 (see figure 28). Supervision by the OC was good.



Figure 28 - Allt Chonoglais Bridge replacement on A82 in NW

BEAR provided an increased level of supervision on A9 Portgower Bridge replacement works to ensure quality of workmanship and compliance with health and safety requirements. Several major issues on site delayed the contractor's original programme by three months, with the works contract being completed in February 2014.

SW – Scotland TranServ ★★★★★

Scotland TranServ's performance was excellent in 2013/14.

A898 Erskine Bridge vehicle barrier replacement was the only works contract constructed during 2013/14. The works involved installing new high-containment vehicle barrier and associated carriageway resurfacing repairs. Supervision of the works contract by Scotland TranServ was excellent, with close liaison with stakeholders and elected officials throughout. The northbound carriageway and slip roads were reopened to traffic in March 2014. The cost of the works was approximately £6m and works were completed ahead of schedule.

Chapter 4

Quality of service

Key points

Quality management

- All OCs continued to be accredited to ISO 9001, either directly or through their parent companies.
- The OCs continued to operate their quality management systems successfully. However, there was room for improvement in NW and in particular SW.
- The OCs completed their audit programmes on time and to schedule.

Health and safety management

- NE and SE continued to maintain accreditation to OHSAS 18001:2007 Occupational Health and Safety Management Systems for all sites and depots.
- Both NW and SW achieved accreditation to OHSAS 18001: 2007 across all sites and depots.
- All OCs reported low levels of RIDDORs, with NE reducing its reportable level to zero and NW having no RIDDORs in 2013/14.

Environmental management

- Both East Units improved on previous performances after developing and implementing an environmental screening process.
- NW and SW established good Environmental Management Systems (EMS) in the first year of the 4G contract.

Information systems

- NE and SE continued to operate a substantially robust contract control and management system (CCMS) in 2013/14.
- There were some issues with the reporting module of the contract control management function (CCMF) in IRIS.

Continuous improvement

- With the exception of SE, where performance improved significantly, there was considerable room for improvement by the other OCs.
- One remedial notice was issued to NW and two remedial notices were issued to SW. For the fifth consecutive year no remedial notices were issued in NE and SE.

Chapter 4

Quality of service

4.1 Management systems

OC Management Systems

The OCs are required to maintain management systems that comply with:

- BS EN ISO 9001 – Quality management systems
- BS EN ISO 14001 – Environmental management systems
- BS OHSAS 18001 – Occupational health and safety systems.

Management systems refer to a framework of processes and procedures used to ensure that an organisation can fulfil all tasks required to achieve its objectives (see figure 29).

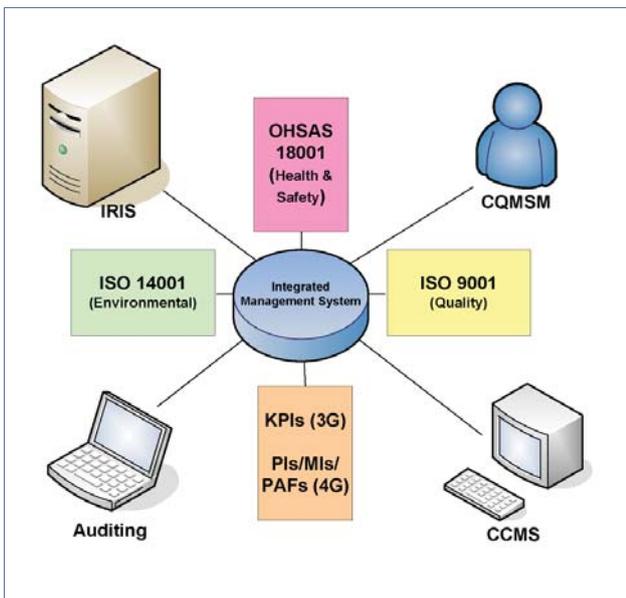


Figure 29 – Processes influencing an integrated Management System (IMS)

Quality management – maintaining compliance

NE and SE – BEAR ★★★★★

BEAR’s quality management system (QMS) continued to work effectively and efficiently and was well controlled. The good performance recorded in 2012/13 was maintained.

BEAR’s QMS is well managed and fulfilled the requirements of BS EN ISO 9001:2008 and the 3G contract for both NE and SE.

BEAR demonstrated continual improvement of its QMS, maintaining accreditation for OHSAS 18001:2007 (H&S), BS EN ISO 9001: 2008 (QMS), BS EN ISO 14001:2004 (EMS). BEAR’s management system has been created to comply with the requirements of BS EN ISO 27001 (IT Security). BEAR maintained approval to National Highway Sector Schemes (NHSS) 2B, 8 and 12 A/B/C & D (Traffic Management).

Four Contract Quality Management System Manager (CQMSM) audits were undertaken by an independent contract quality auditor. Areas audited included:

- operational control
- supply chain management
- management system activities
- management of change.

The majority of non-conformance issues related to cyclic maintenance and works contracts audits. The audits demonstrated compliance, with all actions and issues now closed out or being followed through to completion.

NW – BEAR ★★★★★

BEAR’s QMS conforms to the requirements of BS EN ISO 9001:2008 and the 4G contract.

However, the OC’s performance was fair in the first year of the 4G contract, with a number of issues identified by PAGplus and escalated to NNC.

There are a small number of procedures yet to be approved.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★

Scotland TranServ’s QMS conforms to the requirements of BS EN ISO 9001:2008 and the 4G contract.

Notwithstanding this the OC’s performance was fair in the first year of the 4G contract, with a number of issues identified by PAGplus and escalated to NNC.

As in NW, there are a small number of procedures yet to be provided and approved.

PAGplus will monitor this activity closely in 2014/15.

Chapter 4

Quality of service

Quality management – rectifying non-compliance (PAGplus)

The OC performance in closing out PAGplus corrections on time is measured by KPI 14 in 3G (see figure 30). In 4G, this performance together with the OC performance in closing out its own corrections is incorporated within PI 15. However, for comparative purposes the performance of NW and SW in closing out PAGplus corrections is reported in figure 30.

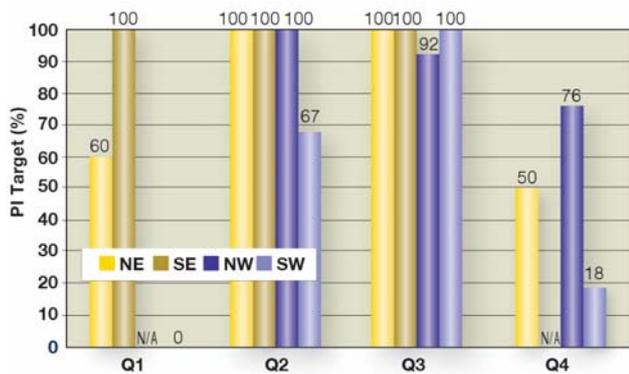


Figure 30 - OC performance in closing PAGplus corrections

NE – BEAR ★★☆☆☆

BEAR’s performance improved to fair from the previous year.

Closing out PAGplus corrections on time was poor in the first and fourth quarters for 2013/14. The first quarter was reported as 60% and the fourth quarter was 50%. However, BEAR’s performance improved in quarters two and three achieving a figure of 100%.

PAGplus will monitor this activity closely for the remainder of the 3G contract in 2014.

SE – BEAR ★★★★★

BEAR’s performance of closing out PAGplus corrections on time improved to excellent.

In the first three quarters BEAR achieved 100% of PAGplus corrections closed out on time. There were no PAGplus corrections to be closed out in the fourth quarter. QMS audits by PAGplus confirmed the system to be well managed and was working effectively to meet the 3G contract requirements.

NW – BEAR ★★☆☆☆

BEAR’s performance in closing out PAGplus corrections on time within the first year of the 4G contract was fair.

There were no PAGplus corrections to be closed out in the first quarter. BEAR recorded 100% performance in the second quarter. However, BEAR’s performance decreased from 93% in the third quarter and 76% in the final quarter.

QMS audits by PAGplus confirmed there is room for improvement to the system for closing out corrections.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★☆☆☆☆

Scotland TranServ’s performance in closing out PAGplus corrections on time, within the first year of the 4G contract, was very poor.

The OC performance was variable, reporting a figure of 0% in the first quarter, 67% in the second quarter, the third quarter at 100% and the fourth quarter at 18%.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

Quality management – rectifying non-compliance (internal)

The performance in closing internal corrections on time is measured by KPI 13 in 3G (see figure 31) and is incorporated in PI 15 in 4G. However, for comparative purposes the performance of NW and SW in closing internal corrections is reported in Figure 31.

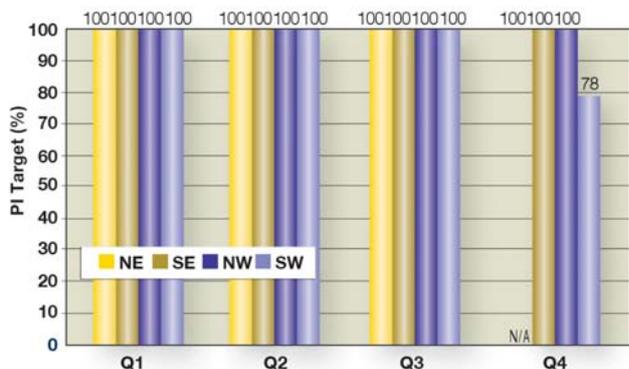


Figure 31 – Internal corrections closed out within stated timescale.

Chapter 4

Quality of service

NE – BEAR ★★★★★

BEAR maintained its excellent performance from 2012/13 in closing out internal corrections within the allocated timescales.

BEAR reported 100% for the first three quarters, whereas there were no corrections to be closed out in the fourth quarter.

The OC successfully completed all its planned internal audits by the end of 2013/14. These audits were found to be satisfactory and met the requirements of the 3G contract.

SE – BEAR ★★★★★

As in NE, BEAR continued to show excellent performance in closing out internal corrections within the allocated timescales. The OC maintained a figure of 100% in each of the four quarters.

The OC successfully completed all its planned internal audits by the end of 2013/14. These audits were found to be satisfactory and met the requirements of the 3G contract.

NW – BEAR ★★★★★

BEAR showed excellent performance, maintaining a figure of 100% in all four quarters in closing out internal corrections within the allocated timescales.

The OC successfully completed all its planned internal audits by the end of 2013/14. These audits were found to be satisfactory and met the requirements of the 4G contract.

SW – Scotland TranServ ★★★★★☆

The performance in closing out internal corrections on time was good, with Scotland TranServ recording 87% for 2013/14.

Scotland TranServ performed well in the first three quarters, recording 100% in closing out internal corrections. However, performance dropped in the fourth quarter to 78%.

The OC successfully completed all its planned internal audits by the end of 2013/14. These audits were found to be satisfactory and met the requirements of the 4G contract.

Health and safety management

Health and safety

OCs are required to report to the Health and Safety Executive (HSE) any incidents involving deaths and injuries, occupational diseases and dangerous occurrences under the legislation requirements of The Reporting of Injuries, Diseases and Dangerous Occurrences 1995 Regulations (RIDDOR). From the 6 April 2012, the over-three-day reporting requirement to the HSE for people injured at work changed to over-seven-day injuries. OCs are still required to keep records of an accident if an employee was incapacitated for more than three consecutive days.

NE and SE maintained their accreditation to BS OHSAS 18001: 2007 Occupational Health and Safety Management Systems (OHSAS). In NW and SW, the OCs both achieved certification within the first year of the 4G contract for BS OHSAS 18001: 2007.

RIDDOR incidents reported to the HSE are shown in figure 32.

Health and safety audits were carried out in all four Units. The NE and SE audits focused on depot visits to review compliance with the 3G contract and health and safety management system requirements. In NW and SW, the audits focussed on The Construction (Design and Management) Regulations 2007 (CDM).

NE – BEAR ★★★★★☆

BEAR's performance improved to good.

There were no RIDDORs compared with two reportable incidents the previous year.

One finding was raised for the operation of a forklift truck without amber beacons functioning, and it being left unattended with keys in the ignition.

SE – BEAR ★★★★★☆

BEAR's performance dipped to good as a result of one reportable incident involving a landscape operative being absent due to an adverse reaction from a thorn while tidying shrub beds.

Chapter 4

Quality of service

One finding was raised due to the incorrect use of personal protective equipment by an operative.

NW – BEAR ★★★★★

BEAR achieved excellent performance with no reportable incidents to the HSE for RIDDORs. No findings were raised at the PAGplus audits.

SW – Scotland TranServ ★★★★★

Scotland TranServ's performance was fair in the first year of the 4G contract.

Two RIDDORs were reported to the HSE. The first occurred at the start of the 4G contract within the Polmadie Depot where an operative was hit by a flying object, with the second being a fatality on a roadworks site.

No findings were raised at PAGplus health and safety audits.

PAGplus will monitor this activity closely in 2014/15.

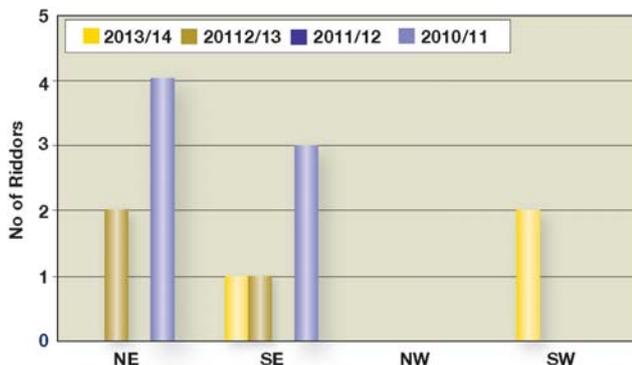


Figure 32 – OCs' RIDDOR performance

Environmental management

Environmental management systems (EMS)

A well implemented and managed EMS demonstrates a commitment to improving environmental performance and protection. It should fulfil the requirements of wide reaching environmental legislation and meet stakeholders' expectations for sustainable development.

During the year EMS audits were completed in each of the four OCs by PAGplus.

The objective of the audits in NE and SE was to verify how well the OCs were implementing their EMS at the various stages of all works carried out in accordance with ISO 14001:2004 and the 3G contract.

In NW and SW, the audits focused on establishing the OCs' effectiveness in implementing the EMS within their depots and sites.

NE – BEAR ★★★★★

BEAR's performance improved to fair in 2013/14.

The EMS audit raised one finding for oil storage not being compliant with legislation at Perth depot. The finding was closed out soon after the audit, with the OC taking action to introduce bigger drip trays at the depot.

In addition, the Perth depot was found to be untidy with several minor issues being identified. These included brine salt stored in close proximity to the surface water drain and no signage noted on some waste collection points, with a few small spillages present.

PAGplus recognised BEAR's efforts in developing and implementing an environmental screening process, an improvement on previous years.

PAGplus will monitor this activity closely for the remainder of the 3G contract in 2014.

SE – BEAR ★★★★★

BEAR's performance improved significantly to good in 2013/14.

The EMS audit involved a site visit and an inspection of Bilston depot, with no findings raised and the depot found to be in a clean and tidy condition with a few minor issues picked up.

No signage was noted at some collection points and it was also noted that no environmental procedure test had taken place since November 2011.

As in NE, BEAR has made efforts in developing and implementing an environmental screening process, improving on last year's performance.

Chapter 4

Quality of service

NW – BEAR ★★☆☆☆

Performance was good throughout 2013/14.

The OC made significant progress in establishing an EMS at the start of the 4G contract, with comprehensive training of staff and systems established to highlight and record environmentally significant aspects throughout the Unit.

The EMS audit raised one finding relating to the storage and containment of waste and materials at the Inverness depot. The OC put in place an operational plan to deal with the issues raised allowing the finding to be closed out.

SW – Scotland TranServ ★★☆☆☆

Scotland TranServ's performance was fair during 2013/14.

The EMS audit raised one finding related to the lack of operational control regarding waste and segregation of material at the Polmadie depot. In addition, the audit highlighted that progress had been made in establishing the EMS. Scotland TranServ expanded its environmental team during the year, with guidance available to designers and operatives to aid their understanding and input to environmental and sustainability practices.

PAGplus will monitor this activity closely during 2014/15.

4.2 Information systems

Contract control and management system / function

NE and SE – BEAR ★★☆☆☆

Performance was good, with the OC continuing to operate fully functional contract control and management systems (CCMS) during 2013/14.

There were issues with populating data within CCMS, such as start and end location information missing for several schemes.

A minor system problem temporarily prevented access to CCMS and SharePoint for PAGplus users. BEAR advised that this was due to a change in service provider. The problem was rectified within a few days.

It was agreed that CCMS Systems User Group forums were to be arranged as and when required. No meetings were arranged in 2013/14.

NW and SW – BEAR and Scotland TranServ N/A

CCMF was implemented at the start of 4G and rolled out to NW and SW. However, full functionality was not available at the start of 4G. PAGplus worked closely with Transport Scotland and OCs to overcome a lack of reporting available within IRIS. Transport Scotland allowed the OC to submit reports offline.

At the end of the first year of IRIS, some reports were still not available with work ongoing to rectify this issue.

4.3 Continuous improvement

Resolving problems and improving performance

Management systems are required to continually improve the effectiveness and efficiency of an organisation. This is achieved by identifying areas for improvement to the organisation's processes.

The OCs are, therefore, required to regularly monitor and verify their activities through testing, inspecting and auditing. They should then action, where necessary, to prevent use and recurrence where deficiencies are uncovered.

PAGplus monitors the OCs' systems and uses an escalation process to ensure issues are resolved (see figure 33).

Chapter 4

Quality of service

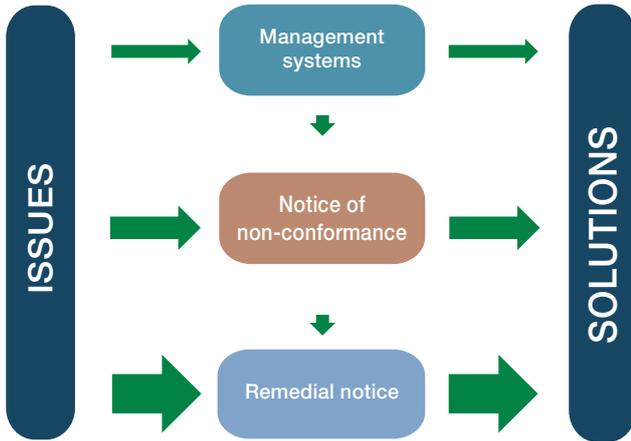


Figure 33 - Escalation process

Where an issue is escalated to either NNC or remedial notice, the OC is required to manage the default in accordance with its QMS within the specified timescale.

The OCs, in most cases, respond positively to these notices and rectify the immediate problems and improve their overall effectiveness.

OC Performance

Remedial notice and NNC activity since 31 March 2014, which relates to 2013/14 performance, has not been taken into account in this section. This has been considered in the appropriate sections elsewhere in this report. Ten NNCs have been issued since 31 March 2014 relating to 2013/14 performance, five in NW and five in SW.

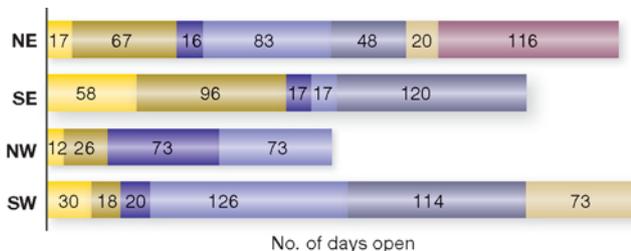


Figure 34 - Number of days individual NNCs were open during 2013/14

Three remedial notices were issued by Transport Scotland, one in NW and two in SW (see figure 35).

Remedial notices were also issued to the 3G NW (Scotland TranServ) and 3G SW (Amey) OCs for failure to maintain their CCMS for the one year defect liability period beyond the end of the contract at 1 April 2013. The NW remedial notice was closed out during 2013/14. However, the SW remedial notice was closed out by default on 31 March 2014 following the end of the defect liability period.

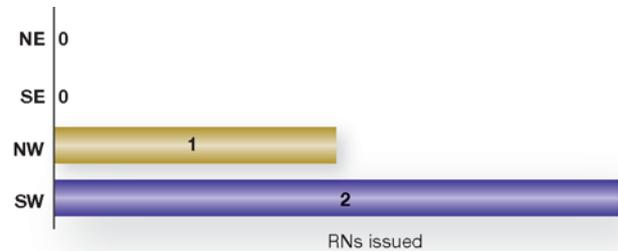


Figure 35 - Number of remedial notices raised during 2013/14

NE - BEAR ★★☆☆☆

In 2013/14, six NNCs were issued, twice the number of 2012/13.

BEAR's overall performance reduced to poor, with response time to closure ranging from two weeks for four months. One NNC was carried over from 2012/13 (included in figure 34) and one NNC raised in December 2013 remained open as of 31 March 2014.

As in the previous five years, no remedial notices were issued during 2013/14.

PAGplus will work closely with the OC to ensure performance improves for the remainder of the contract in 2014.

SE - BEAR ★★☆☆☆

Performance improved significantly to good with one NNC issued in 2013/14 compared to six in 2012/13. The NNC was closed within four months.

The four NNCs carried over from 2012/13 (included in figure 34) were closed out during the first few months of 2013/14, although two of these, issued in May 2012, were open for over a year.

No remedial notices were issued in 2013/14, the same as in the previous four years.

Chapter 4

Quality of service

NW – BEAR ★★☆☆☆

Overall, BEAR's performance was poor.

Four NNCs were issued, two of which were quickly closed out with the remaining two, issued in January 2014, still open at 31 March 2014.

A further five NNCs were issued in April 2014 relating to 2013/14 performance.

One remedial notice was issued for non-conformance in notifying works to the Scottish Road Works Register.

PAGplus will work closely with the OC to ensure performance improves in 2014/15.

SW – Scotland TranServ ★☆☆☆☆

Scotland TranServ's performance was very poor.

Six NNCs were issued during the year. Four of these were closed out with response times ranging from two weeks to four months. Two were open as of 31 March 2014, one having been open for four months and the other for nearly three months.

A further five NNCs were issued in April 2014 relating to 2013/14 performance.

Two remedial notices were issued, one relating to inspection of structures and the other for sweeping and cleaning of channels. The latter was still open at 31 March 2014.

Transport Scotland and PAGplus will work closely with the OC to ensure improved performance is delivered in 2014/15.

Performance measurement

Performance measurement

The OCs' performance in the management and maintenance of the network is measured by a set of 36 KPIs under the 3G contract and by a set of 20 PIs and 20 MIs under the 4G contract.

The performance measurement indicators agreed with the Scottish Ministers are calculated using standard methods of measurement developed by PAGplus. These are reported at varying intervals of monthly, quarterly, six monthly and annually in 3G. In 4G these are reported monthly, with the exception of PI 19 and MI 19 which are reported annually.

Summary of OC performance measurement

PAGplus monitors all performance measurement indicators and works with the OCs to address any poor performance.

Transport Scotland and PAGplus set thresholds for the performance measurement indicators, which are reviewed annually to help drive continuous improvement.

Descriptions of the KPIs and PIs can be found in the 3G and 4G contracts respectively. These are summarised in figures 42 and 43 respectively, and are cross referenced within this report where appropriate.

3G contracts

20 of the 36 KPIs are monitored throughout the year in order to benchmark OC performance in the East Units.

Figures 38 and 39 summarise OC performance against each benchmark KPI. Inset to these are the same KPI results for 2012/13 (see figures 40 and 41).

4G contracts

All 20 PIs are monitored throughout the year in order to benchmark OC performance in the West Units.

Figures 36 and 37 summarise OC performance against each benchmark PI.

Chapter 4

Quality of service

Performance measurement - continual improvement

3G contracts

In comparison to 2012/13, the performance of BEAR in the East Units improved significantly in 2013/14.

NE – BEAR

BEAR met the majority of thresholds set for the KPIs measured, with the exception of KPI 7, 14 and 33, resulting in improved performance.

SE – BEAR

BEAR met all thresholds set for the KPIs measured, with the exception of KPI 30, resulting in significantly improved performance.

4G contracts

As the 4G contract started on 1 April 2013 there was no prior PI data for comparison.

NW – BEAR

BEAR met the thresholds set in 13 of the 20 PIs measured. Five PIs in the annual period were not measured.

SW – Scotland TranServ

Scotland TranServ met the thresholds set in 16 of the 20 PIs measured. Four PIs in the annual period were not measured.

The performance measurement indicators not referenced elsewhere in this report can be categorised as reporting and communications (KPIs 28, 29 and 30 / PIs 16 and 18), dealing with planning applications (KPI 27 / PI 17) and human resources (KPIs 33, 34, 35 and 36 / MIs 9,10,11 and 12).

All OCs exceeded the threshold target for submission of reports, programmes and minutes (KPI 28 / PI 16), for answering correspondence, enquiries and complaints (KPI 29 / PI 18), and for planning applications (KPI 27 / PI 17).

The thresholds set for the human resources (staff turnover, sickness absence, working hours and training days) KPIs were generally met by NE and SE. The equivalent MIs were reported by NW and SW at similar levels, with the exception of staff turnover for NW which was markedly higher than any of the other OCs.

There were no submissions against PI 7 (Maintenance). As this was the first year of the 4G contract, PI 7 would have reported as 0% on the contract start date, with the percentage of the network within specification being expected to rise as the year progressed to achieve 100% compliance by 31 March 2014.

PI 12 Actual Spend Against Profile – due to expenditure profile functionality not being available in IRIS, NW and SW were asked to provide the required information for PI 12 using spreadsheets. As a consequence, no submissions were made prior to August 2013.

NW continued to have issues with expenditure profiles and submitted no data during 2013/14. Transport Scotland set a deadline of mid June 2014 for the OC to sort out the issue.

Both NW and SW failed to submit the required information for PI 19 (Carbon emission).

Chapter 4

Quality of service

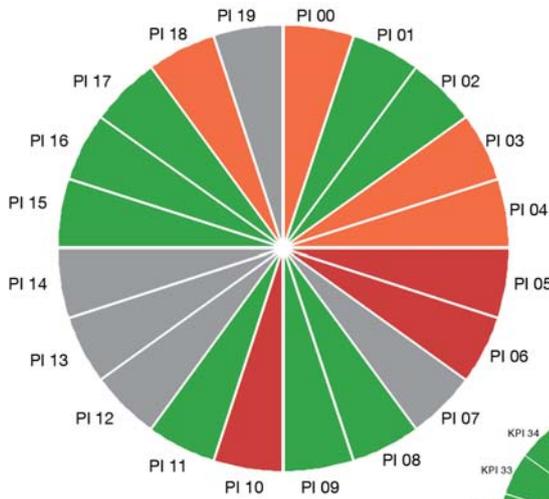


Figure 36 - PI summary for NW 2013/14

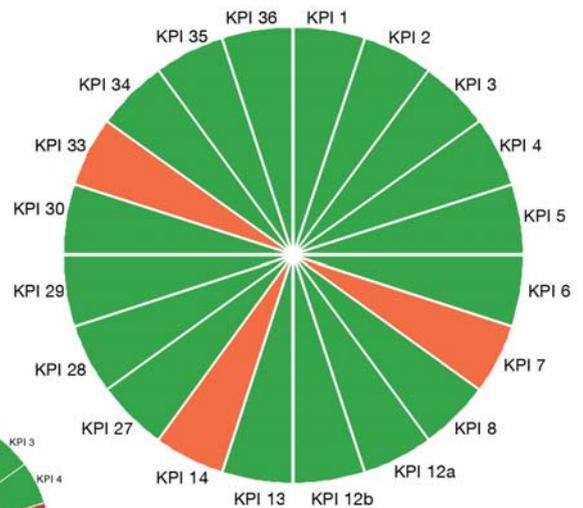


Figure 38 - KPI summary for NE 2013/14

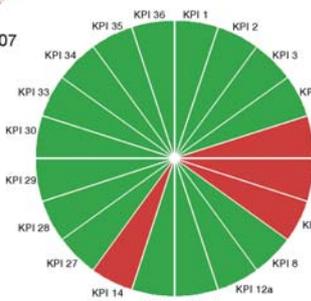


Figure 40 - KPI summary for NE 2012/13

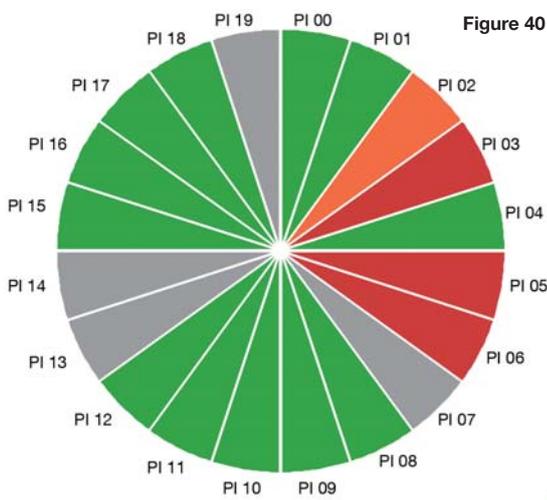


Figure 37 - PI summary for SW 2013/14

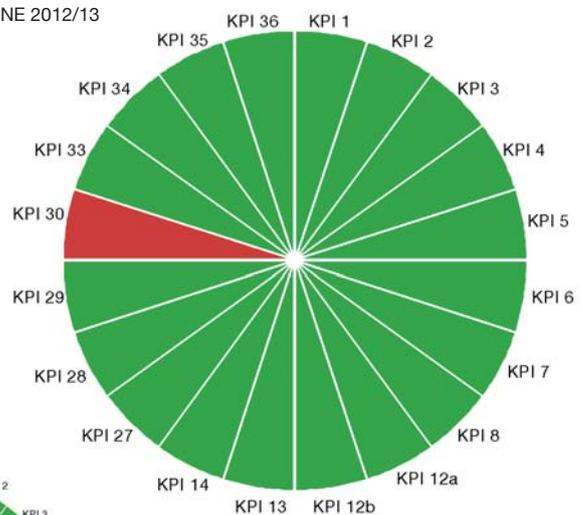


Figure 39 - KPI summary for SE 2013/14

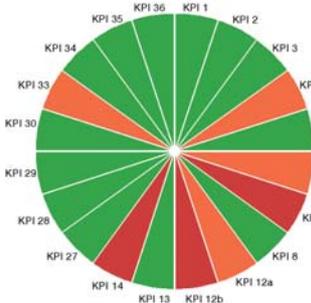


Figure 41 - KPI summary for SE 2012/13

Key:

- Target met or exceeded
- Target not met and some improvement required
- Target not met and improvement required
- Not measured

Chapter 4

Quality of service

KPI No.	KPI name
1	Repair of category 1 defects
2	Safety inspections
3	Detailed inspections
4	Lamp outages
5	Winter response times
6	Winter treatment times
7	Electronic data logger downloads
8	Emergency response times
9	Road occupation
10	Traffic disruption by unprogrammed operations and works
11	Quality of traffic management
12a	Achievement of inspection programmes (PIs)
12b	Achievement of inspection programmes (GIs)
13	Internal audits of QMS
14	PAGplus QMS
15	Achievement of annual programme
16	Variation of budgets against agreed programme
17	Works contracts cost estimates
18	Works contracts outturn costs
19	Site operations cost estimates
20	Operations instructions
21	Frequency of materials testing
22	Materials testing
23	Observations resulting from inspections (ORIs)
24	Forecasting against actual spend profile
25	Invoice submissions
26	Disputed items invoice
27	Time taken to process planning applications
28	Submission of reports, programmes and minutes
29	Answering of correspondence enquiries and complaints
30	Draft responses and briefing to TS on general Ministerial correspondence
31	Calls to customer contact system number
32	Remedial notices issued
33	Staff turnover
34	Sickness absence
35	Working hours
36	Training

Figure 42 - KPIs in 3G contract

Chapter 4

Quality of service

PI No.	PI Name
00	Overall Performance Indicator
01	RIDDOR
02	Accident Frequency Rate
03	Repair of Category 1 Defects
04	Incident Response
05	Safety Inspections and Patrols
06	Detailed Inspections
07	Maintenance
08	Structures - Principal Inspections
09	Structures - General Inspections
10	Structures Maintenance
11	Winter Service Treatments
12	Actual spend against profile
13	Works Contracts - cost estimates
14	Works Contracts - out turn costs
15	Closure of Non-Conformances
16	Submission of reports
17	Planning applications
18	Communications response
19	Carbon emissions

Figure 43 - PIs in 4G contract

Chapter 5

Value of service

Key points

Financial spend

- Transport Scotland has a network asset valued at a net £11.6bn for roads and £4.2bn for structures.
- The budget allocation from Transport Scotland of £129.6m (net of contract price fluctuations) was up on 2012/13 by £18.3m (16.4%).
- Spend for 2013/14 was £141.7m, including contract price fluctuations of £11.4m.
- Overall OC spend exceeded budget by £0.6m. However, there were significant differences between spend and budget at budget level category.
- Savings of £14.6m were delivered by the OCs across the network in 2013/14, with cumulative savings of £135m since the start of the 3G contracts in April 2006.

Financial management

- OC performance in managing the budget was good, except for SW where performance was fair. All OCs had issues with monthly profiling.
- The OCs' performance in managing the bid/order process was good.

Commercial matters

- OCs operated effective measurement processes, although there were some issues with provision of records in all Units.
- Good progress was made in NE and SE in resolving claims.
- Performance was fair in NW and SW with the OCs failing to provide full detailed information on claims.

Chapter 5

Value of service

5.1 Financial spend

5.1.1 Network spend

Reported spend figures are inclusive of contract price fluctuations (CPF) unless otherwise stated.

A comparison of spend figures for 2013/14 and 2012/13 is shown in figure 44. Total spend for 2013/14 is £141.7m (2012/13: £139.0m).

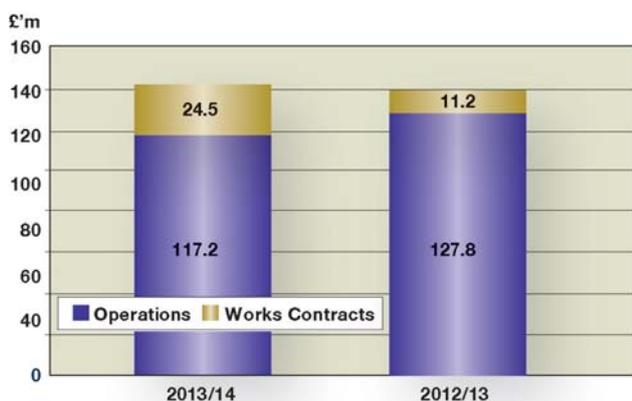


Figure 44 - Financial comparison – all Units

A profile of each individual Unit's financial spend is given in figure 45.

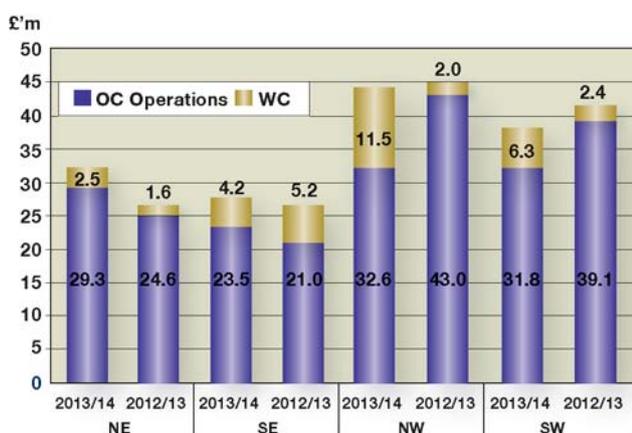


Figure 45 - Spend split by works and operations by Unit

The budget for 2013/14 of £129.6m was up £18.3m (16.4 %) from the previous year. Part of this increase reflects the impact of 4G Schedule of Rates Items which are based at December 2011 price levels, whereas corresponding 3G Schedule of Rates are based at August 2006 price levels.

The current level of budget is in line with the average over the preceding seven years (see figure 46). Inflationary pressures will also impact on budget levels by reducing the funds available for maintenance. See below for further details.



Figure 46 - Comparison of budgets (net of CPF) for maintenance and improvements

Spend net of CPF for 2013/14 is £130.3m (2012/13: £117.9m).

For 2013/14 inflation payments totalled £11.4m on operations priced at base rates totalling £105.8m, see figure 47. The CPF figure for 2012/13 was £21.2m on operations priced at base rates totalling £106.7m.

The weighted average CPF applied to base rates during 2013/14 was 24.9% (2012/13: 24.8%) in East Units and 2.6% (2012/13: N/A) in West Units.

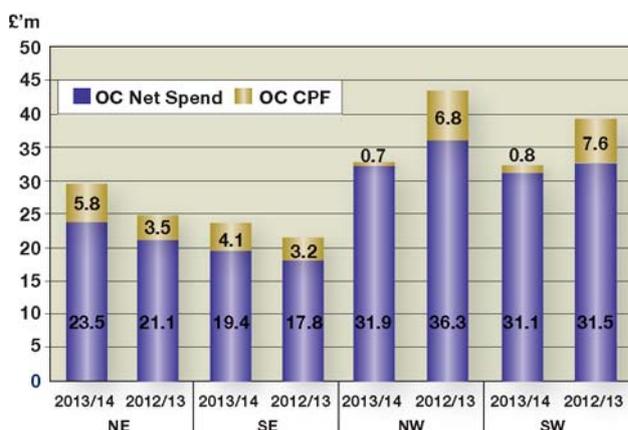


Figure 47 - OC spend split by base rates and CPF - all Units

Chapter 5

Value of service

Transport Scotland's current contracts have generated savings through competitive procurement process when compared to prices under its previous contracts for like operations. Savings of £14.6m have been delivered during 2013/14, with cumulative savings of £135m delivered to date over the life of the contracts.

The 3G East Unit contracts delivered savings of £6.7m during 2013/14 (2012/13: £8.7m) when compared to the 2G contracts. Cumulative savings of around £127m have been delivered to date over the life of the 3G contracts.

The 4G West Unit contracts have delivered savings of £7.9m during 2013/14 (2012/13: N/A) when compared to the 3G contracts.

5.1.2 Spend analysis

Transport Scotland has a network asset valued at a net £11.6bn for roads and £4.2bn for structures. In maintaining its asset, Transport Scotland spent £141.7m during 2013/14 (2012/13: £139.0m). Figure 48 shows how this spend was allocated by asset type during the year.

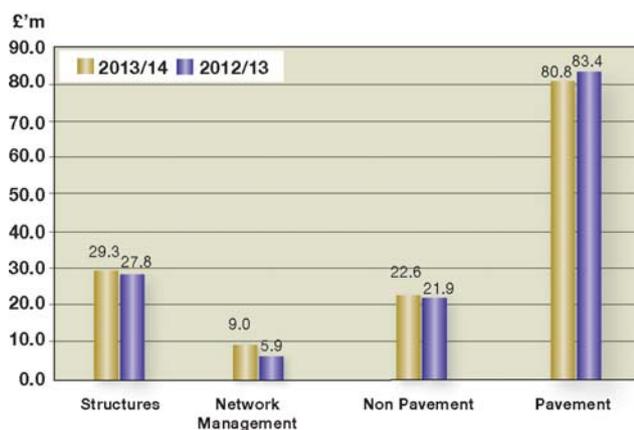


Figure 48 - Spend by asset type - all Units

Figure 49 highlights maintenance activities where spend exceeds £5.0m.

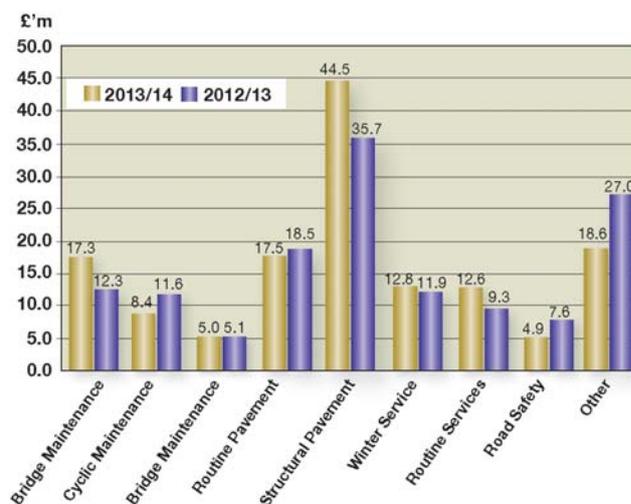


Figure 49 - Spend by maintenance activity - all Units

Figure 50 highlights significant spend included in "Other" in figure 49.

Other	2013/14 (£'m)	2012/13 (£'m)
Minor Improvements	4.7	4.9
Drainage	2.2	2.7
Bridge Inspections	2.1	1.7
Road Markings, Signs etc	2.0	3.6
Road Lighting	1.5	2.9
Major Bridges	1.4	2.1
Incidents	1.2	2.1
Damage to Crown Property	0.5	2.8

Figure 50 - Significant "Other" spend - all Units

Chapter 5

Value of service

5.1.3 Budget, orders and spend

PAGplus monitors and reports on the inter-relationship of budget, orders and spend to assist Transport Scotland in its financial management. How this fits into the overall process is shown in figure 51.

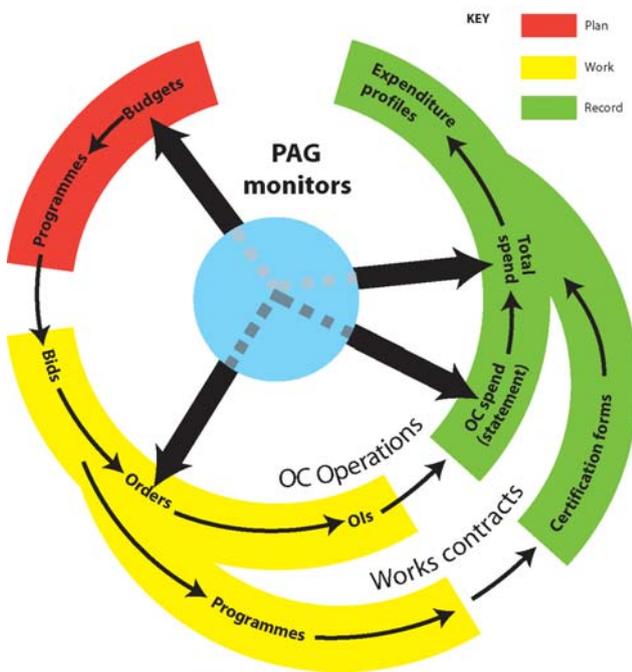


Figure 51 - Financial monitoring process

Budgetary control

Budgetary control by the OCs is an important management responsibility. It is important that the OCs exercise good budgetary control regardless of funding levels, as there may be little scope to revise programmes if there are any significant increases in scheme costs, particularly towards year end. This risk has been recognised by Transport Scotland and is included within the PAGplus audit and monitoring programme.

The OCs have responsibility for delivering a programme of maintenance covering five budget categories, these are routine maintenance (RM), structural maintenance (SM), bridges (BR), minor improvements (MI) and strategic road safety (SRS).

A comparison of spend against budget for 2013/14 is shown in figure 52.

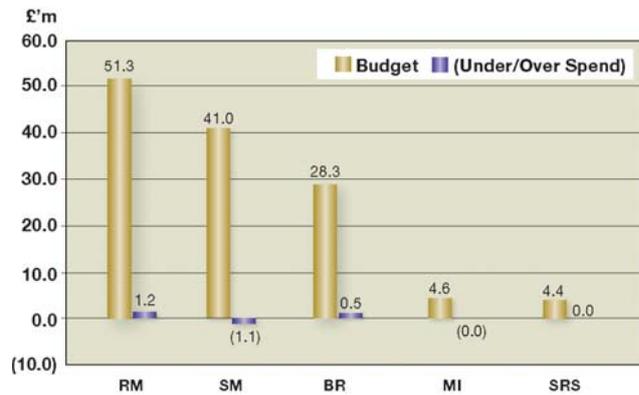


Figure 52 - Spend v Budget (excluding CPF) - all Units

Overall network spend exceeded budget by £0.6m. However, figure 52 highlights differences between spend and budget at budget category level.

NE - BEAR ★★★★★☆

Overall, performance continued to be good. Spend in NE exceeded budget by £0.8m (3%). This included £109k for A9 Average Speed Camera Partnership works funded by Traffic Scotland which was not part of the budget. Figure 53 shows how the OC managed its budget at budget category level.

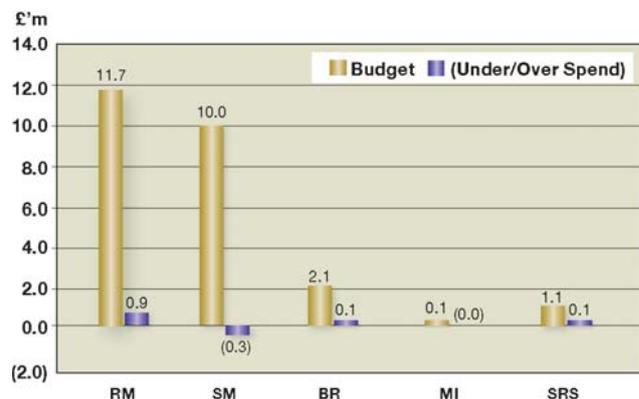


Figure 53 - NE Budget v Spend (excluding CPF)

Figure 53 highlights significant differences, with routine maintenance spend exceeding budget by £876k (7%) partly offset by an under spend of £319k (3%) for structural maintenance.

Chapter 5

Value of service

PAGplus monitoring noted performance issues throughout the year, particularly with accuracy of expenditure profiles which at times was fair.

SE – BEAR ★★☆☆☆

Performance continued to be good, with overall spend in line with budget. Figure 54 shows how the OC managed its budget at budget category level.

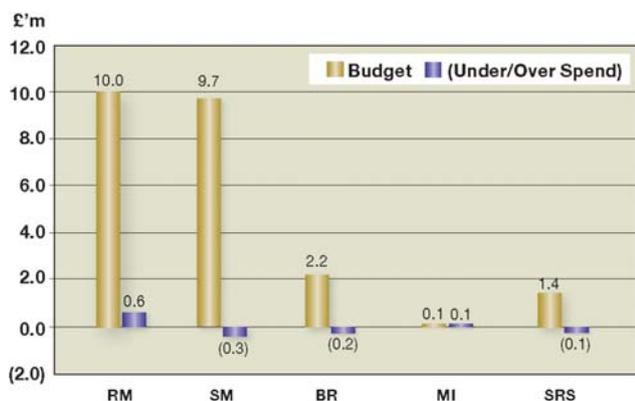


Figure 54 - SE Budget v Spend (excluding CPF)

Figure 54 highlights significant differences, with routine maintenance spend exceeding budget by £577k (6%) offset by under spends of £246k (3%) and £192k (9%) against structural maintenance and bridges respectively.

Performance issues were identified by PAGplus, particularly with accuracy of expenditure profiles.

NW – BEAR ★★☆☆☆

Overall performance was good. Spend in NW exceeded budget by £1.4m (3%). Figure 55 shows how the OC managed its budget at budget category level.

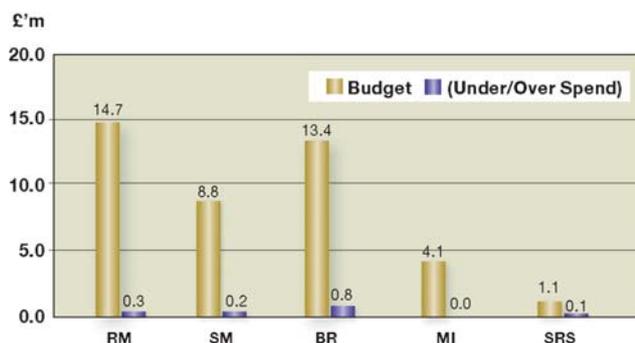


Figure 55 - NW Budget v Spend (excluding CPF)

Figure 55 highlights bridges spend exceeded budget by £791k (6%). Routine maintenance and structural maintenance spend also exceeded budget by £283k (2%) and £211k (2%) respectively.

Whilst overall performance managing the budget was good, there were performance issues throughout the year, particularly with accuracy of expenditure profiles where performance was at times fair.

SW – Scotland TranServ ★★☆☆☆

Performance during the year was fair. SW spend was less than budget by £1.7m (4%). Figure 56 shows how the OC managed its budget at budget category level.

PAGplus will monitor this activity closely in 2014/15.

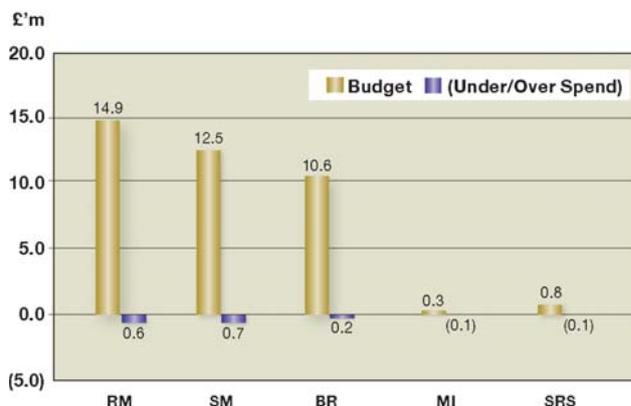


Figure 56 - SW Budget v Spend (excluding CPF)

Figure 56 highlights significant differences with structural maintenance, routine maintenance and bridges spend less than budget by £725k (6%), £579k (4%) and £194k (2%) respectively.

There were performance issues during the year with the OC's programme and expenditure profiles not always aligned.

Orders v spend

The responsibility to ensure that the value of orders issued by Transport Scotland matches its annual budgets and subsequent spend rests with the OCs.

Chapter 5

Value of service

Pressures on this process are inevitable due to operational demands changing and work already bid and ordered not proceeding. These changes may have a significant impact on the financial outturn if not managed through the contractual requirements for submitting revised bids. This process should ensure ordered work does not exceed budget.

PAGplus monitored the OCs' financial management performance throughout the year to review whether spend for each scheme exceeded order value. PAGplus also reported on the relationship between budget, order value and spend for operations.

NE – BEAR ★★★★★☆

BEAR's performance in managing order versus spend was good with spend 13% less than ordered, although it exceeded budget by 3%.

SE – BEAR ★★★★★☆

BEAR continued to maintain its good performance during 2013/14 with spend 8% less than ordered and 1% over budget.

NW – BEAR ★★★★★☆

BEAR's performance was good. While spend was in line with ordered, budget was exceeded by 3%.

SW – Scotland TranServ ★★★★★☆

Overall, performance was good with spend 11% less than ordered and 4% less than budget.

5.2 Financial management

5.2.1 Submission of financial information

NE – BEAR ★★★★★☆

Overall performance was good with most required financial submissions being received within contractual timescales.

SE – BEAR ★★★★★

Performance was excellent with all financial submissions being received within contractual timescales.

NW – BEAR ★★★★★☆

Overall performance was good. There were some late submissions of financial records, such as works contractor invoices and expenditure profiles.

SW – Scotland TranServ ★★★★★☆

Performance was good with most required financial submissions being received within contractual timescales.

5.2.2 General financial management

NE – BEAR ★★★★★☆

Overall BEAR's performance was good, however, there were issues with progressing new rate applications. In addition, performance was fair in providing information to resolve disputed amounts.

SE – BEAR ★★★★★☆

Performance was good in SE. As in NE, there were issues with progressing new rate applications. Performance was fair in providing information to resolve disputed amounts.

NW – BEAR ★★★★★☆

Overall, BEAR's performance was fair. An NNC was issued for the OC's failure to provide information to progress new rate applications, which remains open.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ's performance was fair.

An NNC was issued for failure to provide financial information relating to measurement issues, which remains open.

PAGplus will monitor this activity closely in 2014/15.

Chapter 5

Value of service

5.3 Commercial matters

PAGplus continued to monitor the OCs' measurement processes. Issues raised were discussed and resolved through regular meetings. Where appropriate, monies were deducted from the OCs for failure to substantiate values claimed.

5.3.1 Measurement issues

PAGplus carries out detailed reviews on OC spend through a process of site visits and reviews of measurement records held at the OCs' central offices. Given the volume of work undertaken by the OCs, PAGplus' work is carried out on a sample basis with 10% of operations reviewed. The aim of these reviews is to ensure the OCs' measurement processes are robust and accurately record amounts due through their monthly statements.

NE – BEAR ★★★★★☆

Overall performance was good.

PAGplus reviews highlighted minor issues with measurement records, particularly in the last quarter of 2013/14.

SE – BEAR ★★★★★☆

BEAR's performance overall was good. As with NE, PAGplus reviews highlighted minor issues with measurement records in the last quarter of 2013/14.

NW – BEAR ★★★★★☆

Overall performance was good, although some minor issues were noted with measurement records.

SW – Scotland TranServ ★★★★★☆

Scotland TranServ's performance was good.

Some minor issues were noted with provision of measurement records.

5.3.2 Claims

Given the wide ranging requirements of the 3G and 4G contracts it is inevitable that there will be issues around contract interpretation.

Transport Scotland has made key changes to its Term Maintenance Contracts to ensure claims are resolved within reasonable timescales. The 4G contracts stipulate timescales the OCs are required to meet in claim notification and providing detailed supporting information to Transport Scotland.

NE – BEAR ★★★★★☆

Performance in resolving claims was good with a number of longstanding issues being resolved in the year.

SE – BEAR ★★★★★☆

Performance in resolving claims was good with a number of longstanding issues being resolved in the year.

NW – BEAR ★★★★★☆

Overall performance was fair.

A number of claims arose during the year for which the OC has yet to provide full detailed information.

PAGplus will monitor this activity closely in 2014/15.

SW – Scotland TranServ ★★★★★☆

Performance was overall fair.

A number of claims arose during the year for which the OC has yet to provide full detailed information.

PAGplus will monitor this activity closely in 2014/15.

Frequently asked questions

What is the Performance Audit Group (PAGplus)?

CH2M HILL, working in association with PricewaterhouseCoopers, URS and TRL, was re-appointed through competitive tendering by Transport Scotland for a third seven year term from December 2009. CH2M HILL and PricewaterhouseCoopers monitor performance on the four Units. URS' role in PAGplus is primarily to monitor the M6 DBFO project.

What is PAGplus' role?

PAGplus audits, monitors and reports on the financial, technical and performance aspects of the OCs to a plan agreed with Transport Scotland. PAGplus also reviews payment requests from the OCs and carries out inter-Unit comparisons and value for money investigations at the request of Transport Scotland. PAGplus can escalate the auditing and monitoring of the OCs if performance issues are identified.

PAGplus assisted Transport Scotland in the development of the fourth generation trunk road maintenance contracts.

What is a trunk road?

The primary transport functions for the national strategic transport network are defined as:

- linking major urban centres and areas of population change
- providing links to international gateways, airports, ports and borders
- linking remoter communities
- linking key tourist areas
- facilitating freight routes
- linking areas of economic activity and regeneration areas of national significance.

All motorways and some A-roads are designated as trunk roads.

Are trunk roads managed and maintained in a different way to other roads?

Yes. Trunk roads are the responsibility of and funded by the Scottish Ministers. As such they are managed by Transport Scotland, maintained by the OCs and monitored by PAGplus. Local authorities are responsible for managing, maintaining and monitoring the local non-trunk road network.

What is Transport Scotland?

Transport Scotland is the Scottish Government's national transport agency responsible for helping to deliver the Government's capital investment programme and overseeing the safe and efficient running of Scotland's trunk roads.

What are Transport Scotland's responsibilities for trunk roads?

Transport Scotland is responsible to the Scottish Ministers for overseeing the management and maintenance of the trunk road network. To assist with this, it employs OCs, works contractors, concession companies and PAGplus.

What are OCs?

The OCs are responsible for delivering the management and maintenance of the trunk road network in each Unit, working under contract to Transport Scotland.

During the reporting year 2013/14, the OCs for each Unit were: BEAR for NW, NE and SE and Scotland TranServ for SW.

What are the OCs' main tasks?

The OCs oversee, coordinate and undertake cyclic and routine maintenance, winter service and emergency response. In addition, they undertake bridges and structural road maintenance, bridge strengthening and replacement, safety and condition inspections, road safety and minor improvement schemes.

What else do the OCs do?

The OCs also oversee and coordinate maintenance works carried out by contractors and coordinate works by utility companies (statutory undertakers).

The OCs:

- undertake day-to-day management of the Unit
- provide professional and design services, including scheme preparation
- carry out surveys, inspections and investigations
- manage and supervise operations and works contracts
- manage their allocated budgets
- report to Transport Scotland.

Frequently asked questions

What work is not done by the OCs?

There are certain maintenance and information management services carried out on the network that are not the OCs' responsibility.

These include:

- Maintenance of M74/A74(M) from junction 12 to the English border; which is the responsibility of Autolink under the terms of the M6 DBFO project.
- Maintenance of M77 PPP project; which is the responsibility of Connect.
- Maintenance of M80 DBFO project is the responsibility of Highway Management (Scotland) Ltd.
- Maintenance of Traffic Scotland electrical equipment such as variable message signs, emergency telephones, permanent speed cameras and associated cabling.
- Collection of traffic data and maintenance of counting equipment.
- Major trunk road improvements built by contractors appointed by Transport Scotland. Maintenance responsibility for these improvements is split between the contractor and the OC for a set period, up to five years, prior to full responsibility passing to the OCs.

This report does not include an assessment of these other maintenance organisations.

Where can I find out more about the management and maintenance of the M6 DBFO, M77 PPP and M80 DBFO projects?

For M6, contact:

Autolink Concessionaires (M6) plc
M6 DBFO Project Office
Nethercleugh
Lockerbie
Dumfriesshire
DG11 2SQ.

For M77, contact:

Connect M77/GSO plc
Connect Roads Operations Centre
Maidenhill Interchange
Ayr Road
Glasgow
G77 6RT.

For M80, contract:

Highways Management (Scotland) Ltd
c/o Bilfinger Project Investments Europe
Pavilion 2
Buchanan Park
Stepps
Glasgow
G33 6HZ.

Glossary of Terms

3G contracts

Third generation Contracts which were tendered in two phases. NW and SW were tendered first. They have used these contracts since 1 April 2006. NE and SE started to use these contracts on 1 April 2007.

4G contracts

Fourth generation Contracts which were tendered in two phases. NW and SW were tendered first. They have used these contracts since 1 April 2013. NE and SE will use these contracts from 16 August 2014.

Automated diary facility (ADF)

The Automated Diary Facility is a web-based roadworks diary provided by Traffic Scotland as part of the Scottish Minister's Term Contract for Management and Maintenance of the Scottish Trunk Road Network. The ADF provides the ability for the Operating Company to input and edit planned roadworks traffic management, lane closures, lane occupations and events likely to cause traffic delays.

Abnormal load

An item which, when loaded on the carrying vehicle, exceeds critical weight or size parameters given in legislation and cannot be broken down into smaller components (also referred to as Abnormal Indivisible Load).

Budget

Money allocated by Transport Scotland to manage and maintain the network during a financial year. This includes operations and works contracts.

Category 1 defects

Serious road faults, such as potholes, that should be repaired within set timescales.

CEEQUAL

An evidence-based sustainability assessment, rating and awards scheme for civil engineering, infrastructure, landscaping and the public realm, indicating the achievement of high environmental and social performance.

Contract control and management system (CCMS)

A computer-based financial management system supplied and operated by the OCs in 3G to a specification provided

by Transport Scotland. The system gives everyone working on the OC contracts, including Transport Scotland and PAGplus, access to information about how operations and works contracts are being managed and where money is being spent.

Contract price fluctuation factor (CPF)

Inflation adjustments to the OCs' tendered rates and prices.

Financial year

The period between 1 April 2013 and 31 March 2014.

Integrated road information system (IRIS)

The road information system provided by Transport Scotland and used by the OCs in 4G, which includes the functionality of CCMS, RMMS, SMS and data on the physical characteristics, condition of the trunk road network and accidents.

Key performance indicators (3G) / Monitoring indicators and Performance indicators (4G)

The contracts state that a list of indicators must be provided by the OCs to show how they are performing and to allow comparisons between Units.

Moving cursor programme (MCP)

This analyses accident data across the network to identify accident cluster sites.

Network

The system of motorways and trunk roads in Scotland. The network is 3,218km long and varies from urban motorways to rural single carriageways (see figure 1). In addition, a total of 136 km of motorway is covered by the M6 DBFO, M77 PPP and M80 DBFO projects.

Network management

Spend related to core operations not attributable to a particular network asset.

Non pavement

Spend related to drainage systems, vehicle restraint systems, street lighting, traffic signs and other similar non pavement items.

Notice of non-conformance (NNC)

The process used in the contract to flag up where the OCs are not complying with the contract. This is issued by PAGplus.

Glossary of Terms

Payment adjustment factors (PAFs)

Factors applied to monthly sum payment items in 4G for a number of maintenance activities where an OC's performance falls below target.

Operations

Work carried out by the OCs.

Orders

Instructions issued by Transport Scotland to the OCs. These give details of operations (not works contracts) to be carried out under the contract by the OCs. The OCs should not start operations until an order has been issued.

Pavement

Spend related to carriageways and footways.

Quality management system (QMS)

Quality management is fundamental to the contracts. A QMS is drawn up by each OC to show how it will carry out every function required of it under the contract.

Remedial notice

A procedure used under the contract where Transport Scotland can issue a notice when an OC commits a default. This is part of the performance management procedures and may lead to withholding amounts from payment.

Routine maintenance management system (RMMS)

A computer-based system supplied by Transport Scotland and operated by the OCs in 3G, to record and report on details of the network, including where it has been inspected and routinely maintained.

Sector scheme

Sector scheme certification is given to suppliers and installers of materials by United Kingdom Accreditation Service (UKAS) accredited certification bodies. This certifies that the holder operates a QMS in line with the international standard, BS EN ISO 9001:2008 and the sector scheme document.

Spend

The amount paid for work done, including OC operations and works contracts, excluding CPF.

Statements of intent (SOI)

These are reports prepared by the OCs to support their bids to carry out work on the network. The SOIs include scheme justification, possible options, cost estimates and recommended treatment.

Structures

Structures include bridges, footbridges, underpasses, culverts, retaining walls, sign gantries, high mast lighting and CCTV masts.

Structures management system (SMS)

A computer based management system containing an inventory of information on all trunk road structures.

Sustainability

Sustainability in trunk road maintenance and improvement allows for an enhanced network consistent with social needs, permitting environmental stewardship, improving safety, promoting efficiency and meeting the mobility requirements of current and future generations.

Traffic Scotland

Traffic Scotland enables the collection and distribution of real-time traffic information relating to incidents and events currently taking place on the Scottish trunk road network.

TS2010

A specification for a new quieter and more durable road surfacing material.

Unit

The network is divided into four separate geographic Units. These are: NE, SE, NW and SW.

Works contracts

Schemes usually with a value of more than £250k in 3G and £350k in 4G and below £5m, which the OCs design, procure through competitive tender and supervise on site.

Abbreviations

2G	Second generation	NNC	Notice of non-conformance
3G	Third generation	NW	North West
4G	Fourth generation	OC	Operating Company
ADF	Automated diary facility	OHSAS	Occupational health and safety assessment series
BS	British Standard	ORI	Observation resulting from inspection
CCMS	Contract control and management system	PAF	Performance adjustment factors
CEEQUAL	Civil engineering environmental quality assessment and award scheme	PAGplus	Performance audit group
CMS	Carbon management system	PI	Performance indicators
CPF	Contract price fluctuation	QMS	Quality management system
CQMSM	Contract quality management systems manager	RIDDOR	Reporting of injuries, diseases and dangerous occurrences regulations
DBFO	Design, build, finance and operate contract	RMMF	Routine maintenance management function
EMS	Environmental management system	RMMS	Routine maintenance management system
EN	European standard of the CEN	SE	South East
H&S	Health and safety	SEPA	Scottish Environment Protection Agency
HSE	Health and safety executive	SMS	Structures management system
IER	Initial environmental review	SNH	Scottish Natural Heritage
IRIS	Integrated road information system	SOI	Statement of Intent
ISO	International Standards Organisation	SRWR	Scottish road works register
KPI	Key performance indicators	SW	South West
MI	Monitoring indicators	TRISS	Trunk road incident support service
MSD	Maintenance scheme datasheet	TRL	Transport Research Laboratory
NE	North East	VMS	Variable message sign

Useful websites

PAGplus

www.performanceauditgroup.co.uk

CH2M HILL

www.ch2m.com

PricewaterhouseCoopers

www.pwc.co.uk

URS

www.urscorp.com

TRL

www.trl.co.uk

Transport Scotland

www.transportscotland.gov.uk

Traffic Scotland

www.trafficscotland.org

Scottish Road Works Commissioner

www.roadworksscotland.gov.uk

Scottish Government

www.scotland.gov.uk

Scottish Parliament

www.scottish.parliament.uk

BEAR

www.bearscot.com

Scotland TranServ

www.scotlandtranserv.co.uk

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certifications

BS EN ISO 9001: 2008
BS EN ISO 14001: 2004
OHSAS 18001:2007