

**Environment and Transport Committee****30 August 2011****Shipments of radioactive Steam Generators from Canada to Sweden**

PL-18-11-F

Environmental Liaison Officer**Planning****1.0 Summary**

- 1.1 The purpose of this report is to advise Members that shipments of steam generators, which contain radioactive materials, at levels above international limits, will pass between Orkney and Shetland on route from Canada to Sweden.
- 1.2 A model resolution opposing these shipments is presented for Members consideration.

2.0 Decision Required

- 2.1 The Committee is asked to decide whether or not to approve the resolution and the recommended actions contained in Appendix 1.

3.0 Detail

- 3.1 In April 2010 Bruce Power, Canada's first private nuclear operator, applied to transport 16, possibly increasing to 32, radioactive steam generators to Sweden, where Studsvik AB would decontaminate around 90% of the materials, sell the scrap metal on the open market and return the remaining waste to Canada. The shipments of steam generators, which contain radioactive materials such as cobalt-60, caesium-137, plutonium, americium and curium at levels above international limits, will pass between Orkney and Shetland on route to Sweden.
- 3.2 Currently Bruce Power has delayed its plans to ship the Steam Generators to consult with the First Nations, Métis and others seeking

additional information in Canada. However they have indicated that they are planning to continue with the shipments in the near future.

- 3.3 In response to the proposed shipments KIMO and NFLA have jointly developed a briefing and resolutions for Councils who oppose the shipments and wish to raise these issues with the relevant national authorities.
- 3.4 Bruce Power runs two generating stations on a 2,300 acre site, which each hold four CANDU nuclear reactors. It is located on the shores of Lake Huron near the Canadian / United States border. Its reactors generate 4,700 megawatts of electricity to the Province of Ontario. Bruce Power is a partnership company involving Cameco Corporation, TransCanada Corporation, Borealis Infrastructure (a trust established by the Ontario Municipal Employees Retirement Fund), the Power Workers Union and the Society of Energy Professionals (1).
- 3.5 As part of the decommissioning process of redundant equipment, 16 (and eventually 32) bus-sized steam generators need to be removed. Originally it was planned for these to be stored onsite however in 2010 Bruce Power put a tender out for radioactive clean up of the generators, which the Swedish company Studsvik won. A formal request for permission to transport the steam generators from the Lake Huron facility at Owen Sound to Nykoping, Sweden was also put to the Canadian Nuclear Safety Commission (CNSC) on 1 April, 2010 (2).
- 3.6 There are several major concerns in relation to this, firstly, that the radioactivity in the steam generators exceeds the maximum activity allowed for shipment. The International Atomic Energy Agency (IAEA) regulations lay out the maximum amount of radioactivity allowed on a single shipment and the Canadian Nuclear Safety Commission (CNSC) admits that the sixteen steam generators from Bruce Power exceed the IAEA standard by a factor of at least 6 times. This transport restriction has been waived under a CNSC "Special Arrangement". IAEA regulations state that in exceptional or urgent circumstances shipments containing higher amounts of radiation may be allowed under a "Special Arrangement." Bruce Power has not demonstrated any necessity for the shipments, as there is sufficient space to store the used steam generators on site.
- 3.7 The decontamination and recycling of the metal would result in additional nuclear emissions to the Baltic environment. As the Baltic is already the most radioactive sea in the world it is unacceptable to introduce additional emissions to the marine environment that will increase the impact on coastal communities. The plant at Studsvik AB, where the metal would be recycled, also has a poor recent record in monitoring and evaluating emissions as highlighted in Sweden's report 3/12 to HELCOM MORS-PRO 15/2010. Given this poor record there is also a concern about the possibility that radioactively contaminated metal could make it on to the open market through the recycling process.

- 3.8 The planned route for the shipments, as outlined on the Bruce power [website](#), will take them through the Fair Isle channel. In the case of a collision and fire onboard the ship there is no guarantee that radioactivity would not be released from within the steam generators, as they are too large to be moved within transport containers, threatening public health. Shetland also relies on a perception of a pristine environment to promote tourism, fisheries and aquaculture within the Islands. Therefore any accident involving nuclear material, regardless of the activity of the material, would have a significant impact on the local economy and population.
- 3.9 The shipments also help set an unwelcome precedent that it is acceptable to ship radioactive materials great distances for treatment rather than dealing with them, in line with the proximity principle and polluter pays principle, near to where they are produced.
- 3.10 In response to these proposed shipments KIMO and Nuclear Free Local Authorities (NFLA), both organisations of which Shetland Islands Council is a member, have developed a joint briefing (Appendix 2) and a resolution opposing the shipments, based on the model from the briefing, is attached as Appendix 1. The resolution is also in line with the Council's Statement of Policy (approved by Infrastructure Committee on 15 March 2004, min. ref. 29/04).
- The Council is opposed to the unnecessary transport of radioactive and other hazardous wastes
 - The Council opposes any process or activity that involves new or additional radioactive discharges into the environment, as this is potentially harmful to the human and natural environment
 - The Council believes wastes should ideally be managed on-site where produced (or as near as possible to the site) in a facility that allows monitoring and, if necessary, retrieval of the wastes.

4.0 Implications

Strategic

- 4.1 Delivery On Corporate Priorities - This report will help to fulfill the Council's commitment to protect Shetland's renowned natural and built environment and its continued support for KIMO and Nuclear Free Local Authorities.
- 4.2 Community /Stakeholder Issues – None
- 4.3 Policy And/Or Delegated Authority - In accordance with Section 2.3.1 of the Council's Scheme of Administration and Delegation, the Environment and Transport Committee has delegated authority to make decisions on the matters within approved policy and for which there is a budget.
- 4.4 Risk Management - If the Council decides to not oppose the shipments and they were to go ahead there is an increased risk that accident could have a significant impact on the Shetland Economy.

4.5 Equalities, Health And Human Rights – None

4.6 Environmental – An accident involving the shipments could result in a release of radioactivity into the marine environment potentially impacting on marine species, fisheries and aquaculture.

Resources

4.7 Financial – There are no direct financial implications however if an accident were to occur the clean up costs would be significant.

4.8 Legal – None

4.9 Human Resources – None

4.10 Assets And Property – None

5.0 Conclusions

5.1 The report presents a model resolution opposing shipments of radioactive steam generators from Canada to Sweden, which the Council could adopt. The shipments, which go against Council policy, will pass through UK Territorial waters and present an unnecessary risk to the natural environment and economy of Shetland.

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19 August 2011

List of Appendices

Appendix 1 Resolution

Appendix 2 Joint Briefing

Background documents:

None

END

Appendix 1

Resolution on shipments Canadian radioactive waste to Sweden

1. The Council notes that shipments of 16 (and eventually 32) radioactively contaminated bus-sized steam generators, each weighing 100 tonnes, are planned shortly to begin from a site on the Great Lakes in Canada across the Atlantic Ocean passing through UK territorial waters in the Fair Isle Channel and on to Sweden.
2. The Council notes that the pipes inside the steam generators are contaminated with radioactive fission products such as cobalt-60 and caesium-137; with radioactive actinides such as plutonium, americium and curium; and with radioactive activation products such as tritium (hydrogen-3) and carbon-14.
3. The Council notes that the radioactive contaminants in the steam generators contain alpha-emitters, beta-emitters and gamma-emitters, some of which have half-lives of up to 12,500 years.
4. The Council notes that the shipments will be dismantled in Sweden, with radiation stripped out of them so that much of the scrap metal can be recycled on the open market. Around 10% of the metal will then be shipped back to Canada for low-level radioactive waste storage using a similar transport route. The recycling of radioactive materials from nuclear reactors as scrap metal for commercial use should not be countenanced or encouraged.
5. The Council notes the decontamination and recycling of the metal would result in additional emission to the Baltic environment, which is already the most radioactive sea in the world.
6. The Council notes the international concern that shipping such materials, thus necessitating a 'special' licence; raises a dangerous precedent that should be avoided.
7. The Council notes the international concern of the difficulties with dealing with an emergency response should an accident or malicious incident occur with such shipments.
8. The Council notes international concern over the poor quality and general lack of consultation of this decision in Canada and by other National Governments where the shipment travels through or in proximity to its territorial waters (namely the United States, the United Kingdom, Norway, Denmark and Sweden).

The Council resolves to:

1. Oppose in principle any shipment through our territorial waters of radioactive waste or radioactively contaminated equipment from the decommissioning, refurbishment, or routine operation of nuclear reactors from another country.
2. Write to the Governments of Canada and the United States urging them to insist that the shipment of redundant nuclear steam generators through our territorial waters does not take place. The letter should also include the

assertion that radioactive waste should be managed near their place of origin and not transported over such large distances.

3. Write to the Governments on the route of the shipment urging them to refuse permission to the shipments and inform the Canadian Government of their opposition.
4. Write to the same Governments to recognise used nuclear steam generators as radioactive waste.
5. Write to the Swedish Government to prevent the recycling of the scrap metal on to the open market, where it may be used in future consumable goods.

Nuclear Free Local Authorities **briefing**



Date: 26th July 2011

No.85

Subject: **Radioactive waste shipments from Canada to Sweden – concerns for UK and Irish local authorities**

1. Background to briefing

This briefing has been developed by the NFLA Secretary for NFLA members and for members of KIMO International, as part of the Memorandum of Understanding between the two organisations. It will be of interest to Councils and environmental groups.

The briefing arises following the NFLA being alerted by Canadian and American NGOs (non-governmental organisations) that the Canadian nuclear power company, Bruce Power, has sought permission, and been given approval, to move large quantities of radioactively contaminated steam generators from a site near the Great Lakes in Canada across to the Studsvik facility in Sweden for clean-up, recycling and partial return.

The issues around these shipments are a matter of concern for a large number of municipalities and nuclear concerned groups in Canada, the United States, the British Isles and Scandinavia. The NFLA has co-operated closely with KIMO International and two Canadian NGOs in particular – the Canadian Coalition for Nuclear Responsibility (CCNR) and the Council of Canadians. The NFLA Secretary would like to express his thanks to Gordon Edwards from the CCNR, Emma Lui from the Council of Canadians, and John Mouat from KIMO International, in the production of this briefing.

2. Bruce Power and the proposed shipments

Bruce Power is Canada's first private nuclear operator. It runs two generating stations on a 2,300 acre site, which each hold four CANDU nuclear reactors. It is located on the shores of Lake Huron near the Canadian / United States border. Its reactors generate 4,700 megawatts of electricity to the Province of Ontario. Bruce Power is a partnership company involving Cameco Corporation, TransCanada Corporation, Borealis Infrastructure (a trust established by the Ontario Municipal Employees Retirement Fund), the Power Workers Union and the Society of Energy Professionals (1).

As part of the decommissioning process of redundant equipment, 16 (and eventually 32) bus-sized steam generators need to be removed. In 2010, as part of the decommissioning process, Bruce Power put a tender out for radioactive clean-up of the generators, which the Swedish company Studsvik won. A formal request for permission to transport the steam generators from the Lake Huron facility at Owen Sound to Nyköping, Sweden was also put to the Canadian Nuclear Safety Commission (CNSC) on April 1st, 2010 (2).

THE LOCAL GOVERNMENT VOICE ON NUCLEAR ISSUES

Steam generators are used in most power plants as part of the mechanism to generate electricity. In nuclear power plants they become contaminated with radioactive pollutants during their service life, though the extent of contamination is usually low, and confined to the inner parts of the steam generator. On decommissioning of the reactors, the generators are welded shut and sealed (3). The Bruce Power application to CNSC proposes that the first 16 steam generators are transported to Sweden, where around 90% of the less contaminated metallic portions will be melted down and blended with non-contaminated metal in a one-to-ten ratio, then sold on the open market as scrap metal for unrestricted use. The remaining material will then be transported back to Canada to a Bruce Power facility for low level waste storage (4). Further shipments of the remaining 16 generators will then follow in the same manner.

In February 2011, following consideration of the Bruce Power request and its transportation and environmental reports, the CNSC gave its approval to the transport. It was believed that the shipments would begin in April / May 2011, but they have been delayed following a decision by Bruce Power to further consult with First Nation communities in Canada (5).

Bruce Power's transportation plan is a five step process (6):

- Road transportation of each steam generator from its Lake Huron facility to the Public Port of Owen Sound.
- Loading on to a specially adapted ship, taking around 3 to 4 weeks.
- Once all 16 steam generators are loaded, they will then travel the Canadian Great Lakes, the St Lawrence Seaway and the St Lawrence River (passing through United States territorial waters) to the Atlantic Ocean.
- They will pass through UK, Norwegian and Danish territorial waters before arriving at the Studsvik harbour in Nyköping, Sweden. They will then be offloaded and transported to Studsvik's recycling facility for processing.
- The 10% of the steam generator that cannot be recycled will be returned to Canada, through Halifax Harbour in Nova Scotia and the road network to Bruce Power's Lake Huron facility, as low level radioactive waste.

The map below, taken directly from Bruce Power's website, outlines the likely outward route:



Bruce Power map of proposed shipment journey from Canada to Sweden and the road transport to the Public Port of Owen Sound. Source: Bruce Power – <http://rightthingtodo.ca/transportation.php>

Appendix 2

Of interest to UK local authorities, the proposed route will travel close to the Orkney and Shetland Islands, and the north of Scotland, before moving into the North Sea.

Each generator is 11.7 metres by 2.5 metres and weighs around 100 tons. The below picture, taken directly from the Bruce Power website, gives an indication of the generators size (7):



It is planned that the cleaned-up metal will be sold on the open consumer market. It is also anticipated that this will not be the only shipments, as Bruce Power has 32 generators it wishes to ship to Sweden for recycling (8).

3. IAEA guidelines, the Canadian nuclear regulators response and public discontent

A key issue of concern to NGOs and Municipalities in Canada, which is shared by the NFLA, is that the proposed shipments will contain a total amount of radioactivity onboard that is **6 times** greater than the International Atomic Energy Authority (IAEA) limit for ocean transport, and **60 times** greater than the IAEA limit for transport through inland waterway, as outlined in the IAEA's '*Regulations for the Safe Transport of Radioactive Materials*'. It should also be noted that the CNSC recalculated the total amount of radioactivity after it was pointed out by respondents to its consultation that they had omitted to include one of the five isotopes of plutonium. With this recalculation, the limit for inland waterways is exceeded by 60 times (9).

The shipments also exceed the CSNC'S packaging requirements under its *Packaging and Transport of Nuclear Substances Regulations (PTNSR)*. Due to this, Bruce Power had to apply for a 'Special Arrangement' in the form of a licence from the CSNC allowing them to proceed with this shipment. This was granted in February 2011.

Canadian groups and municipalities are further concerned not just with the size of the shipments but also with the lack of accessibility to the interior of the generators to ascertain contamination levels. As the Council of Canadians have uncovered, quoting directly from a CNSC staff report (Document 10, H19, Page 7):

"Bruce Power has applied for a licence to transport under special arrangement for the transport of the steam generators because the size of the steam generators makes it impractical to package them, the interior cannot be accessed which does not allow direct confirmation of the estimated internal surface contamination levels, and the total activity in the shipment is estimated to exceed the limits of the regulations for Surface Contaminated Objects material transported onboard a single ship." (10)

A lively debate has been taking place between the CSNC and its critics over how many times the radioactive levels exceed IAEA guidelines. The CNSC has consistently affirmed that, though the radioactivity of the shipment exceeds IAEA guidelines by 6 times, it conforms to the limits of ocean-going shipments. However, as noted above, the Great Lakes and St. Lawrence Cities Initiatives (GLSLCI), a municipal organisation made up of Councils from Canada and the United States, has noted that radioactivity of a single ship exceeds IAEA guidelines for inland-water shipments (lakes and rivers) by 50 times (or "60 times with revised and increased

estimates of radioactivity"). As noted in the map above, the shipments will have to pass through such inland waterways before reaching the Atlantic Ocean.

The GLSLCI has noted that it is not clear whether the 10 A2 limit applies to inland waterway or inland watercraft. It should also be noted that the GLSLCI claim that an accident with only one generator in Owen Sound Harbour has the potential to exceed Health Canada's Drinking Water Action Levels by 6 times (if the release rate is 100 per cent). (11) 90% of the radioactive material in the steam generators is plutonium-239, which has a half-life of 24,100 years. Further detailed concerns on the shipments from the GLSLCI can be found at http://www.glslicities.org/voice-of-mayors/Bruce_CSNC_NovcommentsFINAL.pdf.

For many Canadian NGOs and municipalities, this shipment sets a dangerous precedent for shipping radioactive waste exceeding international standards across the Great Lakes and the open sea. Within Canada this precedent may influence decisions about highly radioactive waste currently stored on site at the Bruce, Pickering and Darlington nuclear power plants. Emma Lui also notes that Friends of the Earth Norway have commented that this shipment is setting a precedent for increasing radioactive metal shipments from Russia to the Ecomet-S site near St. Petersburg (12).

4. **Response of Governments where the shipments pass through**

A robust debate has taken place in Canada and the United States over these proposed shipments and the parallel risks of cleaning out the radioactive materials to allow for recycling of the scrap metal. The Canadian Environmental Law Association and the Sierra Club Canada are seeking a judicial review of the CNSC decision. An attempt by the CNSC to raise a motion to intervene in the judicial review was rejected by the Canadian Federal courts in mid June. Most importantly within this decision, the Federal Court noted that the central issue in the application concerns the interpretation of the Canadian Environmental Assessment Act and whether an environmental assessment was required to be conducted before the CNSC could issue a license. The Court noted that the CNSC had addressed and thus already spoken to this issue in its decision. In the Court's conclusion, the Court was not satisfied that the intervention of the CNSC in the matter would be appropriate (13). The judicial review case is continuing.

The issue has been formally raised in the Canadian Parliament, led by the opposition New Democratic Party. It has also been formally discussed by the Environment Select Committee in the Danish Parliament, led by the Enhedslisten (Red-Green Alliance). The KIMO Sweden group is looking for the matter to be discussed in the Swedish Parliament and the NFLA plans to send this briefing to MPs and MSPs in the UK and Scottish Parliaments, and to TDs and Senators in the Republic of Ireland's Parliament, for discussion by relevant committees.

One of the most vociferous critics of the shipments have been local authorities and the indigenous First Nations communities and Bruce Power has delayed seeking an American movement licence in order to speak directly with both constituency.

At a meeting held in late June in Toronto, First Nation Chiefs from Ontario and Quebec raised their opposition to the shipments. The Union of Ontario Indians Grand Council Chief, Patrick Madahbee, said of the meeting: "Bruce Power was there doing a promotional job on their position in terms of safety. We indicated that they weren't going to be shipping these generators through our territory." (14)

This delay to discuss the matter with First Nations communities has meant that Bruce Power has also delayed its request for seeking permission to commence the shipments from American authorities, as it is required to do so. It is not clear when it will now seek to do this. It has the requisite approval from the Swedish Radiation Safety Authority, provided that the radioactive contents can be secured in the event of shipwreck. The Council of Canadians and KIMO Sweden have written to the Swedish Environment Minister Andreas Carlgren and are lobbying Swedish MPs to seek a review of this decision (15).

Appendix 2

The Nuclear Free Local Authorities (NFLA) has written to the Scottish and the UK Governments to ascertain their view on the shipments as they travel through UK territorial waters. In an email to the NFLA on March 14th 2011, the Scottish Government confirmed that such matters were reserved by the UK Government. The email went on to note (16):

“The Scottish Government has been informed that the UK Department for Transport (DfT) has not yet received any formal notification regarding this proposed shipment, including whether it will travel through UK territorial or Scottish waters. However, we understand that there have been informal discussions between the respective national authorities and therefore The Scottish Government has been in contact with the DfT in order to seek assurance that this proposed shipment will comply with the appropriate international regulations. Officials have informed us that the Canadian Authorities have confirmed that the proposed shipment would meet these international regulations.”

The UK Department of Transport's Principal Inspector, Criticality and Radiological Protection Branch, responded in an email to the NFLA on 16th May that (17):

- “There is no requirement to request permission from, or to notify the UK government of, shipments through UK territorial waters.
- We have not been in formal contact with the Canadian government over this matter
- The items being shipped are not entering the UK so no approvals are required. We understand that this shipment will be made under the Special Arrangement provision of the IAEA transport regulations. This provision permits the transport of radioactive material where full compliance with the regulations cannot be demonstrated provided that equivalent safety is ensured by other means. We cannot comment on the technical content of the safety justification for this Special Arrangement because no application for UK approval has been made. We note that it was approved by the Canadian Competent Authority for the transport of radioactive material following detailed scrutiny and will also be approved in Sweden.

The transport of radioactive materials is governed by strict, internationally-agreed standards set out by the International Atomic Energy Agency (IAEA). These regulations have been in place for 50 years and have ensured that such movements have maintained an excellent safety record. In addition, any radioactive material being transported by sea must be packaged and stowed in accordance with the International Maritime Dangerous Goods Code, and these shipments will be treated no differently

- We previously provided information to The Scottish Government to assist in their response to correspondence received on this subject. We will continue to liaise with The Scottish Government to ensure it is kept informed of any developments relating to the possible shipment of this waste through Scottish waters
- The National Contingency Plan for Marine Pollution from Shipping and Offshore Installations was written after consultation with all players in the transport supply chain, including local authorities, to address all types of cargo which transit UK waters”.

Similar responses have been provided by relevant authorities in Denmark and Norway.

5. International NGO co-operation

There has been considerable and growing international co-operation between NGOs and local authorities in raising concerns to the public around these shipments. Over 50 Canadian, American and European NGOs have joined a coalition of groups campaigning around them. National nuclear groups in the UK and Ireland who have joined this initiative include the NFLA and KIMO International. A full list of the supporting groups co-operating around this issue is attached below as Appendix 1. A joint open letter, signed by the NFLA and KIMO International, and 20 other European groups, including CND, the French group Réseau Sortir du Nucleaire,

Food and Water Europe, the Green Party 'Vestfold' in Norway and Friends of the Earth in Denmark and Scotland; called for the Canadian, US, UK, Danish, Norwegian and Swedish governments to demand a stop to Bruce Power's plan to ship radioactive waste on the Great Lakes to Sweden (18).

The groups share 7 key concerns about the shipments, which are summarised by both the CCNR and the Council of Canadians in their submission to the Canadian Parliament's Standing Committee on Natural Resources (19):

- The shipment's failure to meet established national and international regulations.
- The shipment sets a dangerous precedent for the Great Lakes.
- The need for a more detailed Environmental Impact Assessment.
- An accident puts drinking water and public health at risk.
- The risks of recycling radioactive material in scrap metal.
- The lack of meaningful public consultation.
- The need to uphold the 'precautionary principle' recognised in international law.

Ongoing correspondence is taking place between this large international coalition of concerned groups. A joint media release between the Council of Canadians, KIMO International and NFLA was issued on 18th April. Further joint media releases will be issued around this briefing and following specific developments over the shipments, once Bruce Power seeks permission from American authorities to transport the shipments through its territorial waters.

6. Council resolutions on the proposed shipments

Across Canada and the areas around the Great Lakes in the United States a large number of municipalities have passed resolutions of concern or direct opposition to the shipments.

As of mid June 2011, 136 municipalities had passed resolutions of concern in Quebec, representing a total population of 477,000 (19). In addition, the GLSLCI represents a large number of municipalities and regional authorities in Ontario who have passed similar resolutions.

The generic Canadian resolution can be downloaded from the CCNR website through the following weblink: http://www.ccnr.org/Resolution_f.pdf

Following discussion at the June 24th meeting of the NFLA Steering Commission it was agreed that a model resolution, adapted from the Canadian resolution, be developed for UK and Ireland NFLA members and non-members, particularly targeted at coastal authorities, though it may well also be of interest to local authorities dealing with large amounts of scrap metal. A similar resolution has also been developed for KIMO members across Europe.

A model resolution for UK and Irish NFLA members and non-member Councils is attached as Appendix 2 and a model resolution for KIMO municipalities is attached as Appendix 3.

7. The current situation and potential future developments

Following the recent meeting between Bruce Power and Canadian First Nation groups NGOs and local authorities are awaiting the company's next action - a formal request for permission to commence the shipment with the US PHMSA. American NGOs are planning to lobby the PHMSA to reject this request when it is made.

If the US authorities grant the request then Bruce Power will announce dates when shipments will begin. It is likely that Canadian and Swedish NGOs will publicise these dates and actively campaign against them at the ports and through the media. Further shipments of a further 16 generators are also likely, should this initial shipment go ahead.

The NFLA and KIMO International will monitor developments with the Canadian NGOs and inform its own members of potential future action.

8. Conclusion and further action

At the heart of this shipment are four major issues:

1. Do UK and Irish NFLA members, KIMO members and other Councils (nationally and internationally) want radioactive waste that exceeds legal limits, or even radioactive waste in general, to be shipped through national and international waters? Since water flows and does not respect national or provincial borders, polluted water outside of UK and Irish borders could return to rivers, lakes and coastline. As well, with growing water scarcity and water stress around the world, an accident involving such a shipment could raise a serious threat to dwindling water resources (the Great Lakes are a major source of drinking water for 40 million people in Canada and the United States).
2. The NFLA has a long-standing policy that radioactive waste should be managed safely near the site of origin and transportation of radioactive materials should be reduced to the absolute bare minimum. Bruce Power declared in their 2006 Environmental Assessment documents that they would not move the steam generators over public roads, and that they could not be recycled because they were classified as radioactive waste. Bruce Power had signed contracts with Ontario Power Generation, (the owner of the reactors that are merely leased by Bruce Power) specifying that the steam generators would be stored and "segmented" on site, in preparation for permanent storage. (20) Given these previous assurances, the NFLA therefore strongly supports Canadian NGOs in their assertion that the materials should be dealt with by Bruce Power on site and an appropriate facility built for its safe management.
3. Although the scrap metal will remain in Sweden, it could return to UK, Ireland, Scandinavian, American or Canadian markets as manufactured goods. The NFLA has a long-standing policy to oppose the circulation of scrap metal from radioactive sources, given the health risks of long-term exposure.
4. Even if the scrap metal does not leave Sweden to other markets, what legal and moral obligations are there in contributing to scrap metal that causes potential illnesses or health risks in other countries?

The NFLA Secretariat outlines a number of further actions that it will undertake and some recommendations for member and non-member Councils:

- The NFLA Secretariat recommends that member councils and non-member Councils to which this Briefing has been sent make their senior environmental health officers, public health officers, waste management officers and emergency planning officers aware of this issue.
- The NFLA recommends Councils pass the model resolutions of concern as outlined in Appendix 2 and 3.
- The NFLA Secretariat will continue to monitor developments on the issue and inform members of any important changes with this issue.
- The NFLA Secretariat will liaise with KIMO International and with Canadian, American and Scandinavian NGOs on the shipments, joint media work and further actions.
- The NFLA Secretariat will send this Briefing to the appropriate UK and Irish Parliamentary Select Committees for their consideration.
- The NFLA Secretariat plans to write again to the UK and Scottish Governments outlining its concerns, when Bruce Power announces the shipments date, and requesting Ministers discuss the issue with their own officials and with the Canadian authorities.
- The NFLA Secretariat plans to write a joint letter with other NGOs to the International Atomic Energy Authority to clarify its views over this shipment and in reference to international shipping regulations with large cargoes containing radioactive materials.

9. References

- (1) Bruce Power website, 2011, <http://www.brucepower.com/about-us>
- (2) Bruce Power, explanation of the transportation of radioactive contaminated steam generators from Canada to Sweden, October 2010, <http://rightthingtodo.ca/transportation.php>
- (3) Presentation to Owen Sound City Council by Ramzi Jammal, Canadian Nuclear Safety Commission, July 2010, http://www.nuclearsafety.gc.ca/eng/pdfs/Presentations/VP/2010/2010_07_26_Ramzi_Jammal_Transport_of_Steam_Generators_to_Sweden-Owen_Sound_e.pdf
- (4) Bruce Power, op cit 2.
- (5) Bruce Power, op cit 1.
- (6) Bruce Power, op cit 2.
- (7) ibid.
- (8) See rabble.ca, independent columnist news-blog, Emma Lui, Council of Canadians, February 2011, <http://rabble.ca/blogs/bloggers/making-waves/2011/02/opposition-grows-radioactive-shipment-through-great-lakes>
- (9) See Canadian Coalition for Nuclear Responsibility website, <http://www.ccnr.org>
- (10) ibid.
- (11) ibid.
- (12) ibid.
- (13) Joint press release of Sierra Club Canada and the Canadian Environmental Law Association, June 14th 2011, <http://www.cela.ca>
- (14) The Manitoulin Expositor, 'UOI meets Bruce Power, tells them no shipment to be had on the Great Lakes', June 22nd 2011.
- (15) Swedish 'Ny Teknik' magazine article, courtesy of the Council of Canadians, 15th June 2011, http://www.nyteknik.se/nyheter/energi_miljo/karnkraft/article3201126.ece
- (16) Email from the Scottish Government Radioactive Materials Division to the NFLA Secretary, March 14th 2011.
- (17) Email from the UK Department of Transport to the NFLA Secretary, May 16th 2011.
- (18) See NFLA website for media release and Council of Canadians website, April 26th 2011, <http://www.canadians.org/media/water/2011/26-Apr-11.html>
- (19) Council of Canadians submission to the Canadian Parliament Standing Committee on Natural Resources. This can be found on its website.
- (20) Information provided to the NFLA by Gordon Edwards, Canadian Coalition for Nuclear Responsibility, June 8th 2011.

International coalition of groups concerned over Canadian radioactive waste shipments

- Anishinabek Nation, Union of Ontario Indians - Canada
- Assembly of First Nations - Canada
- Beyond Nuclear - USA
- Bruce Peninsula Environmental Group Inc. - Canada
- Campaign for Nuclear Disarmament - UK
- Campaign for Nuclear Disarmament - London region
- Canadian Coalition on Nuclear Responsibility
- Canadian Environmental Law Association
- Chiefs of Ontario - Canada
- Citizens Against Radioactive Steam Generators in Owen Sound - Canada
- Citizens Environment Alliance of South Western Ontario - Canada
- Citizens for Alternatives to Chemical Contamination - USA
- Clean Air Alliance - Canada
- Coalition for a Nuclear Free Alberta - Canada
- Coalition for a Nuclear Free Great Lakes – Canada / USA
- Concerned Citizens Committee - Canada
- Enhedlisten - Denmark
- FLOW for Water Coalition – Canada / USA
- Folkkampanjen mot kärnkraft-kärnvapen - The Swedish Anti-nuclear Movement - Sweden
- Food and Watch - USA
- Friends of the Earth Norway
- Great Lakes and St. Lawrence Cities Initiative - Canada
- Great Lakes United – Canada / USA
- Greenpeace - Canada
- Greenpeace - Sweden
- Greenworld - Russia
- Institute for Energy and Environmental Research - USA
- International Institute for Public Concern for Health - Canada
- KIMO - Shetland Islands, Secretariat
- KIMO - Sweden
- KIMO International - Europe
- Lawyers' Committee on Nuclear Policy - USA
- Mayor of Sarnia, Mike Bradley - Canada
- MILKAS - Sweden
- Mohawks of Akwasasne - Canada
- Mohawks of Kahnawake - Canada
- Mother Earth Water Walk - Canada
- National Council of Women of Canada
- New Democratic Party Ontario - Canada
- Nipissing First Nation- Canada
- North Watch - Canada
- Nuclear Energy Information Service - USA
- Nuclear Free Local Authorities – UK and Ireland
- Nuclear Information and Resource Service
- Nukewatch - USA
- On the Commons - USA
- Port Hope Community Health Concerns Committee - Canada
- Provincial Council of Women of Ontario - Canada
- Physicians for Social Responsibility - USA
- Sierra Club Canada
- Sortir Du Nucleaire - France
- Syracuse Peace Council - USA

Model Council Resolution on Canadian shipping for NFLA members, UK & Irish Councils

1. This Council notes that shipments of 16 (and eventually 32) radioactively contaminated bus-sized steam generators, each weighing 100 tonnes, are planned shortly to begin from a site on the Great Lakes in Canada across the Atlantic Ocean passing through UK territorial water north of the Orkney Islands and down the North Sea to a site in Sweden.
2. This Council notes that the pipes inside the steam generators are contaminated with radioactive fission products such as cobalt-60 and caesium-137; with radioactive actinides such as plutonium, americium and curium; and with radioactive activation products such as tritium (hydrogen-3) and carbon-14.
3. This Council notes that the radioactive contaminants in the steam generators contain alpha-emitters, beta-emitters and gamma-emitters, some of which have half-lives of up to 24,000 years.
4. This Council notes that the shipments will be dismantled in Sweden, with radiation stripped out of them so that much of the scrap metal can be recycled on the open market. Around 10% of the metal will then be shipped back to Canada for low-level radioactive waste storage using a similar transport route. The recycling of radioactive materials from nuclear reactors as scrap metal for commercial use should not be countenanced or encouraged.
5. This Council notes the international concern that shipping such materials that exceed the maximum amount of radioactivity allowed in international regulations for a single shipment by a factor of 6 (for ocean transport) and by a factor of 60 (for inland water transport), thus necessitating a 'special' licence; raises a dangerous precedent that should be avoided.
6. This Council notes the international concern of the difficulties with dealing with an emergency response should an accident or malicious incident occur with such shipments.
7. This Council notes international concern over the poor quality and general lack of consultation of this decision in Canada and by other National Governments where the shipment travels through or in proximity to its territorial waters (namely the United States, the United Kingdom, Norway, Denmark and Sweden).

RESOLVES TO:

1. Oppose in principle any shipment through UK territorial waters of radioactive waste or radioactively contaminated equipment from the decommissioning, refurbishment, or routine operation of nuclear reactors from another country.
2. Write to the Governments of Canada and the United States urging them to insist that the shipment of redundant nuclear steam generators through UK territorial waters does not take place. The letter should also include the assertion that radioactive waste should be managed near their place of origin and not transported over such large distances.
3. Write to the United Kingdom and Scottish Governments urging them to refuse permission to the shipments and inform the Canadian Government of their opposition to the shipments.
4. Write to the same Governments to recognise used nuclear steam generators as radioactive waste.
5. Write to the Swedish Government to prevent the recycling of the scrap metal on to the open market, where it may be used in future consumable goods.

Model Resolution on Canadian shipments radioactive waste for KIMO Municipalities

1. This municipality notes that shipments of 16 (and eventually 32) radioactively contaminated bus-sized steam generators, each weighing 100 tonnes, are planned shortly to begin from a site on the Great Lakes in Canada across the Atlantic Ocean passing through UK territorial water north of the Orkney Islands and down the North Sea to a site in Sweden.
2. This Municipality notes that the pipes inside the steam generators are contaminated with radioactive fission products such as cobalt-60 and caesium-137; with radioactive actinides such as plutonium, americium and curium; and with radioactive activation products such as tritium (hydrogen-3) and carbon-14.
3. This Municipality notes that the radioactive contaminants in the steam generators contain alpha-emitters, beta-emitters and gamma-emitters, some of which have half-lives of up to 12,500 years.
4. This Municipality notes that the shipments will be dismantled in Sweden, with radiation stripped out of them so that much of the scrap metal can be recycled on the open market. Around 10% of the metal will then be shipped back to Canada for low-level radioactive waste storage using a similar transport route. The recycling of radioactive materials from nuclear reactors as scrap metal for commercial use should not be countenanced or encouraged.
5. The decontamination and recycling of the metal would result in additional emission to the Baltic environment, which is already the most radioactive sea in the world.
6. This Municipality notes the international concern that shipping such materials, thus necessitating a 'special' licence; raises a dangerous precedent that should be avoided.
7. This Municipality notes the international concern of the difficulties with dealing with an emergency response should an accident or malicious incident occur with such shipments.
8. This Municipality notes international concern over the poor quality and general lack of consultation of this decision in Canada and by other National Governments where the shipment travels through or in proximity to its territorial waters (namely the United States, the United Kingdom, Norway, Denmark and Sweden).

RESOLVES TO:

1. Oppose in principle any shipment through our territorial waters of radioactive waste or radioactively contaminated equipment from the decommissioning, refurbishment, or routine operation of nuclear reactors from another country.
2. Write to the Governments of Canada and the United States urging them to insist that the shipment of redundant nuclear steam generators through our territorial waters does not take place. The letter should also include the assertion that radioactive waste should be managed near their place of origin and not transported over such large distances.
3. Write to the Governments on the route of the shipment urging them to refuse permission to the shipments and inform the Canadian Government of their opposition.
4. Write to the same Governments to recognise used nuclear steam generators as radioactive waste.
5. Write to the Swedish Government to prevent the recycling of the scrap metal on to the open market, where it may be used in future consumable goods.

**Environment and Transport Committee****30 August 2011****ROAD CONDITION REPORT 2010****Report Number : RD-07-11-F****Presented by Head of Roads****Infrastructure Services Department
Roads****1.0 Summary**

- 1.1 The purpose of this report is to advise the Environment and Transport Committee regarding the content and findings of the Audit Scotland follow up report titled 'Maintaining Scotland's Roads' and how it relates to Shetland. It also provides results of the 2010 Scottish Road Maintenance Condition Survey (SRMCS). Finally it provides a summary of the progress on the development of our Roads Asset Management Plan (RAMP). It also seeks to identify the importance of structural maintenance to protect the integrity of the road network and achieve long-term value for money.
- 1.2 To "manage and maintain the Shetland road network" and to "investigate further savings for 2012/13 and beyond" are two priorities identified and agreed in the Planning and Performance Management Framework: Summary Workplan (PPMF) agreed at Committee on 01 June 2011 (Minute ref 02/11). The reporting of the condition of Shetland's roads, and our progress in developing our RAMP, are part of establishing effective PPMF arrangements to keep this Committee informed of the outcomes of the priorities of the Roads Service.

2.0 Decision Required

- 2.1 No decision is required, but the Committee is asked: -
- (a) to note the Audit Scotland review of Scottish Local Authorities performance in relation to the implementation of recommendations from the 2004 report, 'Maintaining Scotland's Roads';
 - (b) to note Shetland's Road Condition Index (RCI) for 2009/11 and the related roads backlog figure; and
 - (c) to note the position with the development of Shetland's RAMP.

3.0 Detail

3.1 Maintaining Scotland's Roads

3.1.1 Audit Scotland published the report 'Maintaining Scotland's Roads' in November 2004. It contained a number of key recommendations for local authorities which included:

- Public reporting of both the condition of its road network and its road maintenance backlog on an annual basis.
- Establish a long-term strategy for road maintenance within wider transportation strategies.
- Review budget setting procedures ensuring sufficient priority is allocated to structural maintenance to achieve long-term value for money.

3.1.2 On 16 February 2011, Audit Scotland published a follow-up report. Both reports can be viewed in full on the Audit Scotland website, a link to which is given later in this report.

3.1.3 In an appendix to their 2011 follow-up report, Audit Scotland considered the response that local authorities and Transport Scotland have made to the recommendations of the 2004 report. Details of Audit Scotland's original recommendations, their findings in 2010 and our progress against these recommendations are detailed in appendix 1. From the table you will see that we are making good progress in meeting those recommendations.

3.1.4 In the follow up report, Audit Scotland found that during the previous five years that expenditure on road maintenance across Scotland had increased compared to 2004/2005. However, with road construction inflation considerably higher than general inflation, they concluded that Councils had spent 13% less in real terms on road maintenance in 2009/10 than they had in 2004/5.

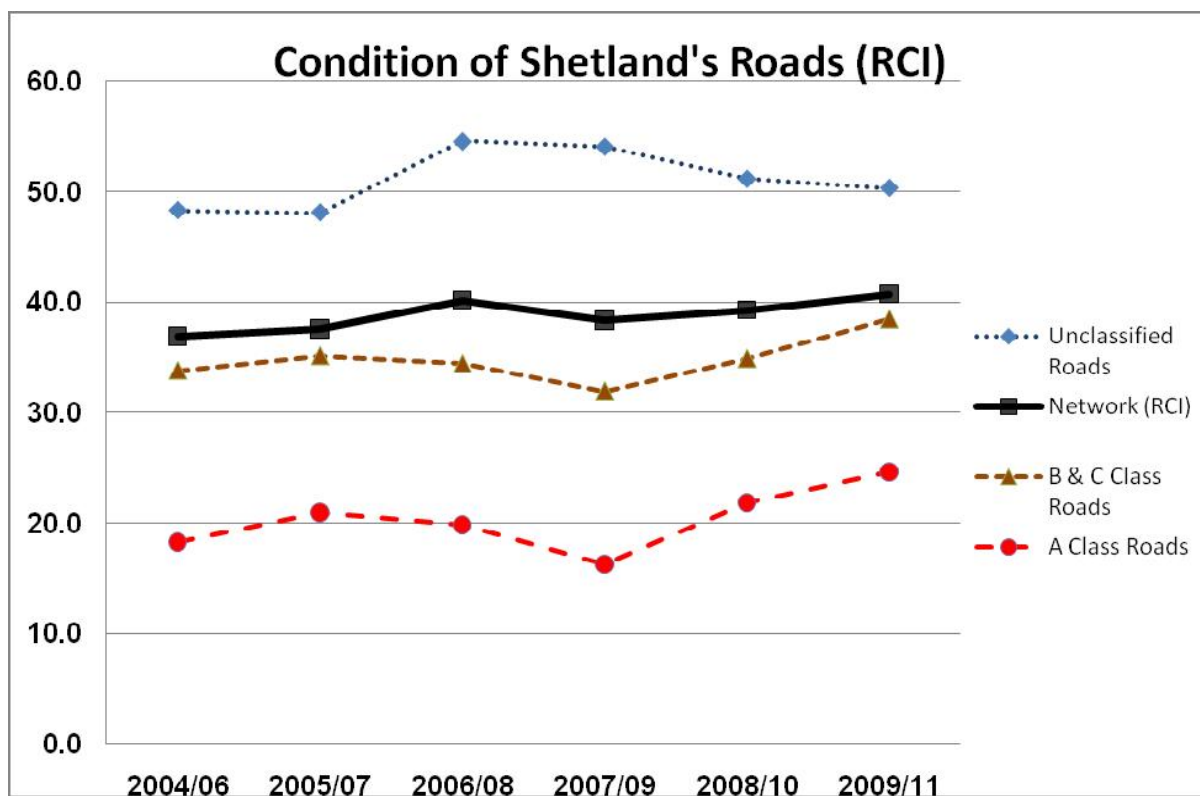
3.1.5 While I don't have exact equivalent figures for Shetland, we have had the same situation of increasing fuel, bitumen and other construction related costs rising much faster than inflation. After 'below inflation' budgets for a number of years, budgets are now decreasing in cash terms. This means doing less and less maintenance for the limited money available, resulting in roads that are deteriorating. As a large percentage of Shetland's main roads have surfaces that are now over 20 years old, we are likely to see this deterioration accelerating in future. Audit Scotland identified this as a concern by saying "This pattern of spending and scale of backlog means that the value of these public assets is not being maintained. By deferring essential expenditure on infrastructure, public bodies are storing up problems for the future and passing a greater burden on to generations to come".

3.2 Road Condition Indicator (RCI)

- 3.2.1 One of Audit Scotland's statutory performance indicators (SPIs) is 'the percentage of the road network that should be considered for maintenance treatment'. The figure reported for that SPI is a Road Condition Indicator (RCI) produced from machine-based measurements of a Scotland wide survey of the road network. It is undertaken annually on a specified sample of each Council's road network.
- 3.2.2 Survey coverage of the road network is detailed in the SPI and is carried out as follows:
- **A Class Roads** are surveyed in both directions every two years, that is one direction in one year and the opposite direction the next year.
 - **B and C class Roads** are surveyed in both directions over a four-year period, that is 50% per year in one direction.
 - **Unclassified Roads** have a 10% sample surveyed on an annual basis selected at random by the survey contractor.
- 3.2.3 While surveys are carried out on an annual basis, the RCI is calculated over two years to minimise the effect of sampling errors on the results.
- 3.2.4 In relation to the RCI, 'considered for maintenance treatment' means that there is some defect in the condition of the road, but authorities will need to carry out a more detailed investigation to assess how serious it is, and to prioritise works for future road maintenance programmes.
- 3.2.5 The results are categorised into Green, Amber and Red condition bands where:
- Green indicates the carriageway is generally in a good state of repair.
 - Amber indicates the carriageway has some deterioration which should be investigated to determine the optimum time for planned maintenance treatment.
 - Red indicates the carriageway has lengths in poor overall condition which are likely to require planned maintenance soon.
- 3.2.6 The RCI figure includes both the Amber and Red categories. An increase in the figure indicates a deterioration in the condition of the road, while a lower figure indicates an improvement.

Condition of Shetland's Roads (RCI)						
Year	Network RCI	A Class	B Class	C Class	All Classified	Unclassified
2007/09	38.3	16.3	31.5	32.4	26.0	54.1
2008/10	39.3	21.8	33.9	35.9	29.9	51.2
2009/11	40.7	24.7	38.2	38.8	33.2	50.3

3.2.7 You can see in the table above that the percentage of the road network that should be considered for treatment is increasing overall. Our A Class roads are still in good condition. But all classified roads are showing deterioration over time, although unclassified roads are showing some improvement. Overall, the network as a whole is showing deterioration over recent years. This is shown graphically below. A more extensive table of RCI results, including those for other island authorities and Scotland as a whole is shown at Appendix 2.



3.2.8 The graph shows that over a longer time period there had been deterioration, then improvement, then deterioration of the classified roads. However a degree of caution and engineering judgement is required when analysing the results, as all results are based on sample surveys. Particular care should be taken for the unclassified roads results as these are multiplied up from a small sample size. Nevertheless, the clear result is that over time the condition of Shetland's roads are deteriorating.

3.2.9 From Appendix 2 you will see that our A Class roads, although deteriorating, are better than the Scottish average and about equal with Orkney. Our B & C Class roads are close to the Scottish average, but significantly poorer than those in Orkney.

Our unclassified roads are very slightly better than the Western Isles; quite a bit below the Scottish average and very much poorer than the unclassified roads in Orkney.

- 3.2.10 A great deal of analysis has been undertaken by SCOTS in liaison with the consultants WDM Ltd, the company who currently undertake the SRMCS contract. A backlog figure has been calculated of what it would cost to bring Scotland's roads up to an acceptable condition making use of the survey results described above. The headline backlog figure to bring all of Scotland's roads up to an acceptable condition is £1,729M. The equivalent figure for Shetland's roads is £20.4M.
- 3.2.11 SCOTS recognises that bringing all Scotland's roads up to standard in one year is quite impractical both financially and physically. They have therefore developed a 'scenario 2' which is a calculation to determine the 'Annual Budget Required to Maintain a Steady State'. That is the annual budget required for structural maintenance – mainly for resurfacing and surface dressing. The 'scenario 2' figure for Scotland as a whole was calculated as £167M/yr based on the 2009 survey, while the same figure for Shetland is £2.4M/yr. Budgets allocated for structural maintenance in 2011/12 (resurfacing, surface dressing and the reconstruction rolling programme) is £1.73M, or 72% of the 'Steady State' figure. We can therefore expect Shetland's roads to continue to deteriorate over time.
- 3.2.12 In these times of reducing budgets, it is necessary to focus on maintaining the asset, which means protecting structural maintenance budgets as far as possible. I therefore suggest that savings required should focus on the winter service and on new (capital) projects in order to preserve the integrity of our existing roads.

3.3 Roads Asset Management Plan (RAMP)

- 3.3.1 The Audit Scotland report 'Maintaining Scotland's Roads' recommended that all Scottish Councils should develop a Roads Asset Management Plan (RAMP) in order to improve the management of their roads and related assets. SCOTS recognised that efficiencies could be achieved if RAMPs were developed jointly between Scottish Councils rather than each Council working independently. Glasgow City Council was appointed as lead authority with Scott Wilson/Exp as Consultants to assist authorities develop their RAMPs. This four-year project commenced in February 2008 with a series of workshops and tasks used to develop the framework for RAMPs.
- 3.3.2 A deadline of 1 April 2010 was set for each Council to complete their rudimentary RAMPs covering the main asset types of carriageways, footways, footpaths, structures and lighting. We were one of about a third of Scottish Councils that achieved this deadline; our draft RAMP is now available on our website.

- 3.3.3 Although a good start has been made in developing our RAMP, there is still significant work to do to improve the quality of information, and to expand it to cover other assets. We also need to build asset management practices into the day to day working of the service. This will be taken forward as a priority during 2011/12 and subsequent years until the RAMP is a fully integrated process at the core of the roads asset management operation.
- 3.3.4 The CIPFA Transport Infrastructure Assets Code, published in 2010, will require authorities to report the replacement value and depreciated replacement cost of their transport/road assets and include the results in the Council's annual accounts. As roads are likely to be the Council's highest value assets, worth over a billion pounds, it is necessary to have robust systems in place to demonstrate that valuations and depreciation has been done on a sound basis. A well developed roads asset management plan will assist in providing that evidence.

4.0 Implications

Strategic

4.1 Delivery on Corporate Priorities

None.

4.2 Community /Stakeholder Issues

None.

4.3 Policy and/or Delegated Authority

In accordance with Section 2.3.1(2) of the Scheme of Administration and Delegations, the Environment and Transport Committee has delegated authority to monitor and review the achievements of key outcomes within its functional areas, and to monitor the relevant Planning and Performance Management Framework.

4.4 Risk Management

None.

4.5 Equalities, Health and Human Rights

None.

4.6 Environmental

None.

Resources

4.7 Financial

None.

4.8 Legal

None.

4.9 Human Resources

None.

4.10 Assets and Property

As this report does not require a decision to be made, there are no issues arising directly from it. However it should be noted that the road network is the Council's single most valuable asset.

5.0 Conclusion

- 5.1 Shetland, in common with most Scottish local authorities, has had a reducing budget in real terms for road maintenance over a number of years. This is now showing up as a consistent deterioration in the condition of Shetland's roads as measured by the Road Condition Indicator, based on an independent survey of Scotland's roads. We are seeking to address that by developing a Roads Asset Management Plan to ensure that maintenance undertaken is as effective as possible. With reducing budgets it is now even more important to reduce non-structural maintenance, in particular to reduce spending on the winter service.

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17 August 2011

List of Appendices

Appendix 1- Response to Audit Scotland Update Report

Appendix 2 – The Change in the Condition of Island Roads

Background documents:

The following documents were considered during the preparation of this report.

[Maintaining Scotland's roads: A follow-up report 2011](#)

[Maintaining Scotland's Roads 2004](#)

[Draft Roads Asset Management Plan](#)

[Planning and Performance Management Framework: Summary Workplan](#)

END

**Shetland Islands Council's Progress on the Recommendations of the Audit Scotland Report
"Maintaining Scotland's Roads"**

Appendix 1

	Audit Scotland 2004 Recommendations	Audit Scotland 2010 Findings	Shetland's Progress on the 2004 Recommendations
1	Councils should use the information from the Scottish Road Maintenance Condition Survey (SRMCS) to calculate the size of the structural maintenance backlog in their area using a commonly accepted methodology.	Using the results of the SRMCS, SCOTS commissioned consultants to estimate how much it would cost to remove all road defects (the 'headline' backlog). The cost, £1.54 billion, is an underestimate as it is based on 2008 condition data and only includes carriageways. It does not include other parts of the road network such as bridges, lighting and footways. A number of initiatives are currently under way to develop more consistent methodologies for costing the total backlog.	Shetland's backlog figure has been calculated as part of the SCOTS commissioned project and is estimated as £20.4M. We are working with the SCOTS group to develop consistent methodologies for costing total backlog including footways, bridges and street lighting.
2	Transport Scotland and Councils should monitor and report publicly on the condition of their road network and their road maintenance backlog on an annual basis.	Transport Scotland partially reports condition in the Scottish Transport Statistics but does not report SCANNER road condition survey results or backlog. All Councils report road condition to elected Members and the public at least once a year but less than half report their road maintenance backlog.	Road Condition is reported annually as an SPI and these reports are available to the public. The backlog figure for the road network in Shetland has not been reported to members until now; this report is provided to rectify that.
3	Councils should review their budget-setting process for road maintenance to ensure that an appropriate and cost-effective balance of expenditure between routine, winter and structural maintenance is achieved. Councils should review their capital expenditure on structural maintenance to ensure that it achieves value for money and meets the key principles of the Prudential Code. In particular, councils should conduct	Half of Councils stated they had reviewed their budget-setting processes within the last five years and three-quarters reported they have changed the way in which budgets are allocated to the various categories of road maintenance activity. The main change reported by councils in relation to budget allocation was a shift to funding structural maintenance from capital rather than revenue budgets. This is likely to be because of constraints on revenue budgets together with new rules allowing	Roads revenue budgets are subject to annual scrutiny as part of the Council's budget setting process. A review of the Winter Service is now being undertaken. A review of the Roads service and roads functions is about to be

	Audit Scotland 2004 Recommendations	Audit Scotland 2010 Findings	Shetland's Progress on the 2004 Recommendations
	an option appraisal to fund road maintenance services.	Councils more freedom in determining their capital spending and Prudential borrowing requirements.	started.
4	Councils should consider whether their road maintenance service could be improved by entering into consortium arrangements to achieve economies of scale in road maintenance.	Although Councils can point to several good examples of joint or collaborative working taking place, no more Councils have entered into consortium arrangements with other Councils. As was the case in 2004, the only Council consortium arrangement existing is Tayside Contracts. However, a small number of Councils are currently exploring alternative models of provision.	With Shetland's geographic location, we do not consider that formal consortium arrangements are appropriate. However, we have taken a number of steps to share services or work jointly with others. These include: - purchase road salt through Scotland Excel; survey our road network jointly with other Scottish local authorities through the SRMCS project; develop our RAMP jointly with other authorities through SCOTS.
5	<p>All Councils should review their performance against the Code of Practice for maintenance management in Delivering Best Value in Highway Maintenance – Code of Practice for maintenance management and take action to ensure they are complying fully with the Code.</p> <p>Councils should develop road maintenance strategies in the context of their transportation and roads asset management strategies. Councils should take into account the views of road users and the wider community in the development of road</p>	<p>All Councils reported having in place plans or policies setting out their road maintenance activities. About half reported they have stand-alone longer-term road maintenance strategies or plans but these varied widely in quality, currency and titles given. The remainder incorporated their road maintenance strategy into a wider local transport strategy. However, half of local transport strategies provide only limited information on road maintenance. In 2008, SCOTS embarked on a four-year project to assist Councils to prepare road asset management plans. SCOTS has reported that to date, around a third of councils have completed draft road asset management plans with another third being close to</p>	<p>We have adopted the Code of Practice for Maintenance with slight modifications to suit local conditions and circumstances. This was approved by the Council in 2006.</p> <p>We are participating in the SCOTS Road Asset Management (RAMP) project and we completed a draft Road Asset Management Plan (RAMP) prior to the deadline in 2010.</p>

	Audit Scotland 2004 Recommendations	Audit Scotland 2010 Findings	Shetland's Progress on the 2004 Recommendations
	<p>maintenance strategies.</p> <p>Councils should collect better inventory information about the assets they are managing including roads, bridges and street lighting.</p> <p>Councils should ensure that they have up-to-date IT systems and asset management systems and take into account the recommendations and good practice contained in the Framework for Highway Asset Management, in particular: up-to-date information on the condition of the assets they are managing including roads, bridges and street lighting; asset management systems linked to GIS and financial systems; pavement management systems to minimise whole life costs of road maintenance; electronic recording of safety inspections.</p>	<p>completing their plans. The remaining third of Councils still have much to do.</p> <p>There has been some improvement in the development of up-to-date electronic inventories but many councils still do not have data on the condition of a number of common items required for asset management. Two Councils report they have insufficient information on the condition of their bridges and 18 councils have insufficient information on either the number and location of their footways, or their condition. In addition, 25 councils have insufficient information on the number and location of non-illuminated signs.</p>	<p>We record road network and asset information electronically using the WDM Roads Management System (RMS), including the geographic location of assets.</p> <p>We are currently updating our inventory of road signs.</p> <p>Most road inspections are recorded electronically. Assessing the condition of assets is an ongoing process with results in most cases recorded electronically.</p> <p>Our WDM RMS is linked to the Council's Servitor job costing system, and to Integra, the Councils financial system.</p>
6	<p>Councils should develop a framework of performance indicators and outcome targets against which to measure the performance of the road maintenance system.</p> <p>Councils whose unit costs are above average should examine whether cost savings are possible.</p>	<p>Councils have developed around 80 different local performance indicators for their own use but lack of consistency means they seldom compare their performance with other councils or the private sector to identify potential improvement. SCOTS has recently developed a suite of performance indicators aimed at creating more consistency to allow benchmarking to take place.</p>	<p>Shetland is actively involved in the SCOTS RAMP project and in the development of a suite of performance indicators that will provide comparable information. That will allow improved benchmarking to take place between different authorities.</p>
7	<p>Councils and the Scottish Executive should ensure that their road maintenance activities contribute to the environment and to</p>	<p>We found that 17 Councils always recycle roadside litter; 16 Councils use low-noise running surfaces where appropriate when roads are being resurfaced;</p>	<p>Arisings from road works are reused where it is practical to do so. Excavated material from new</p>

	Audit Scotland 2004 Recommendations	Audit Scotland 2010 Findings	Shetland's Progress on the 2004 Recommendations
	sustainability.	<p>24 sometimes reuse excavated materials from road maintenance; and 30 sometimes use recycled materials in road maintenance. However, only two Councils use performance indicators to monitor the impact of their road maintenance activities on the environment.</p> <p>Transport Scotland's current contracts with the operating companies do not include performance indicators covering the environment and sustainability. However, all operating companies have undertaken activities relating to the environment and sustainability including investigating the use of alternative materials, increasing staff awareness and engaging with stakeholders.</p> <p>Transport Scotland's tender documents for the next round of trunk road maintenance contracts include a number of performance indicators aimed at reducing carbon emissions, encouraging sustainability and measuring waste. In addition, implementation of a new carbon management system and a process for implementing new sustainability innovations has been developed.</p> <p>Transport Scotland is currently trialling a process for prioritising road maintenance schemes whereby each proposed scheme is scored against four criteria, one of which is environmental sustainability.</p>	works is used for fill wherever possible. Excavated bituminous material is returned to the Scord Quarry and crushed for reuse.

Condition of Island Roads – 2004 to 2011 (RCI)					
RCI - Percentage of roads that need or should be considered for treatment.					
	Year	Shetland	Orkney	Western Isles	Scotland
A Class Roads	2004/06	18.3	18.1	41.8	27.4
	2005/07	21.0	26.0	41.8	28.6
	2006/08	19.9	27.1	43.6	29.2
	2007/09	16.3	19.0	42.6	28.5
	2008/10	21.8	26.3	45.8	29.6
	2009/11	24.7	24.4	48.8	30.3
B Class Roads	2004/06	33.1	16.7	39.5	32.2
	2005/07	34.5	17.8	37.9	33.4
	2006/08	33.1	20.9	37.9	34.2
	2007/09	31.5	18.3	39.1	33.6
	2008/10	33.9	27.5	41.8	34.9
	2009/11	38.2	29.3	45.2	35.8
C Class Roads	2004/06	34.5	15.8	43.3	31.0
	2005/07	35.8	24.0	46.3	31.9
	2006/08	35.7	19.9	46.5	33.0
	2007/09	32.4	9.8	44.6	32.7
	2008/10	35.9	15.7	47.5	33.2
	2009/11	38.8	17.4	51.6	34.3
All Classified Roads	2004/06	27.9	16.8	41.6	30.4
	2005/07	29.7	22.2	41.9	31.5
	2006/08	28.9	22.5	42.8	32.4
	2007/09	26.0	15.9	42.2	31.8
	2008/10	29.9	23.6	45.1	32.7
	2009/11	33.2	24.2	48.6	33.6
Unclassified Roads	2004/06	48.3	24.6	56.7	41.3
	2005/07	48.1	27.9	56.4	42.8
	2006/08	54.6	26.8	53.4	42.5
	2007/09	54.1	23.6	50.5	36.6
	2008/10	51.2	31.7	49.2	39.4
	2009/11	50.3	24.2	53.4	42.0
Overall Network	2004/06	36.9	20.4	48.0	35.9
	2005/07	37.6	24.8	48.0	37.2
	2006/08	40.2	24.5	47.3	37.4
	2007/09	38.3	19.5	45.7	34.2
	2008/10	39.3	27.3	46.9	36.0
	2009/11	40.7	24.2	50.6	37.9

**Environment and Transport Committee****30 August 2011****ROADS MAINTENANCE AND MINOR IMPROVEMENT WORKS
REVIEW OF CONTRACTS AND TRADING ARRANGEMENTS****Report Number : RD-08-11-F****Report Presented by: Roads Network and
Design Manager, and Maintenance Manager****Infrastructure Services Department
Roads****1 Summary**

- 1.1 This report describes the annual review of the procurement procedures used by the Roads Service, and seeks approval of the outcome of that review.
- 1.2 Most roads maintenance works are carried out by the Roads Trading Organisation (formerly the Roads Direct Labour Organisation) within the Maintenance Section of the Roads Service. Streetlighting maintenance is done by the Council's Building Services, and all other works are done by external contractors. Roads improvement works follow similar arrangements, although the proportion carried out by external contractors is higher.
- 1.3 In terms of the Local Government in Scotland Act 2003 the Council has a duty to make arrangements (including procurement arrangements) which secure best value. Best value is continuous improvement in the performance of the Council's functions. In securing best value, an appropriate balance must be maintained between the quality of the Council's performance of its functions, the cost to the Council, and the costs and benefits to the community of any service provided. In maintaining that balance the Council must have regard to efficiency, effectiveness, economy and the need to meet equal opportunity requirements. To ensure that all of this is being done, I am required to review the above arrangements on a regular basis.
- 1.4 In this report I address the following:
 - 1.4.1 A review of all of the contracts and arrangements for Roads Maintenance.
 - 1.4.2 The question of whether any packages of works need to be re-tendered, or procured via Scotland Excel or Procurement Scotland.

- 1.4.3 The updating and improvement of the in-house trading arrangements.
- 1.4.4 The extension of existing contracts and arrangements where this is appropriate.
- 1.4.5 I also address the continuing use of these contracts and arrangements to carry out many of the improvement works currently done under the Roads and Transport Capital Rolling Programmes.

2.0 Decisions Required

- 2.1 Two decisions are required, in connection with continuity of the in-house trading arrangements; and with regard to winter weather forecasting, etc.
- 2.2 I recommend that the Committee approves that the following existing in-house arrangements should continue, subject to satisfactory outcome of annual reviews:
 - 2.2.1 General Roads Maintenance, Resurfacing, Surface Dressing, and Winter Service works issued to the Roads Maintenance Trading Organisation, for three years to the end of March 2014. The previous period was from 2010 to 2013.
 - 2.2.2 Streetlighting Maintenance, to Building Services, for three years, also to the end of March 2014.
- 2.3 I recommend that in terms of paragraph H13(c) of the Council's Standing Orders Relating to Tenders and Contracts that the Committee approves the extension of the following two contracts, and authorises the Executive Director - Infrastructure Services or his nominee to enter into negotiations for such an extension:
 - 2.3.1 The provision of weather forecasting with the Met Office (for one year); and
 - 2.3.2 the provision, operation and maintenance of equipment with Vaisala (for one year).
- 2.4 I also recommend that the Committee notes the following:
 - 2.4.1 Certain works and purchases are likely to be procured via Scotland Excel or Procurement Scotland where appropriate from now on. (This has already been agreed for streetlighting electricity, and for the provision of rock salt).
 - 2.4.2 That authority has been delegated to the Executive Director – Infrastructure Services or his nominee to select and order individual maintenance or minor improvement works, up to a value of £150,000, from the appropriate contractor or in-house provider currently in place as outlined in Sections 3, 4 and 5 below, and as long as condition 5.1 is met; and

- 2.4.3 That the Council will continue to participate in national or other groups for the carrying-out of the national road condition surveys, and the development of a roads asset management plan, subject to the Executive Director or his nominee ensuring that these groups continue to provide a satisfactory service and value for money.

3 DETAIL: External Contracts

3.1 Grass Cutting

Rural roadside verges are cut, and noxious weeds are controlled, as part of the General Road Maintenance arrangements: see 4.2 below. Amenity grass areas, including those adjacent to the public road network, are included in Council-wide contracts now procured by the Environment Service.

3.2 Guard-rails and Cattle Grids

A contract for the maintenance, repair and replacement of guardrails, railings, and cattle grids was tendered this year and awarded to Garriock Bros. Ltd. Its duration is for three years, with an option to extend for up to five. The Contractor is performing in an excellent manner, and the Company's prices remain very competitive.

3.3 Traffic Signs

A contract for signs was tendered this year and awarded to Garriock Bros. Ltd, for a duration of three years, with an option to extend for up to five.

3.4 Road Markings and Cats Eyes

The contract for this work was tendered in 2007 and awarded to Markon Ltd for the period up to the end of 2010, with a mechanism for extension, which has now been taken up. Scotland Excel have indicated that this is not a service that they wish to pursue meantime.

3.5 Streetlighting (Electricity)

The present provider is Scottish Power, following the Council's participation in a new collaborative framework for supply with Procurement Scotland. Recent participation in regional and national purchasing arrangements has brought cost savings due to the purchasing power of a larger organisation.

3.6 Structures

Most large-scale or specialised repair and replacement works to bridges, sea walls, etc. are tendered as separate individual schemes, since we do not have standing contracts or trading arrangements to cover this intermittent work.

3.7 Surveys

- 3.7.1 Site surveys are carried out for individual improvements either in-house or by specialists, depending on the current workload of the Council's Land Surveyor.
- 3.7.2 The Road Condition Survey is carried out by WDM Ltd on a nationwide basis, having been tendered and organised by the Society of Chief Officers of Transportation in Scotland (SCOTS), on behalf of all local authorities. These surveys are not only used by the Roads Service when deciding whether or not to patch, surface dress, resurface or reconstruct various lengths of road. They are also used to produce national Performance Indicators, for which nationwide standardisation is essential.
- 3.7.3 Surveys to establish and update the Roads Inventory are now being done by Council staff. Some of this work was done a few years ago by a private company, but it has proved to be much more efficient for our Roads Inspectors and other technical staff to carry it out at the same time as they are doing service inspections and other tasks.

3.8 Winter Service (Weather Forecasts)

- 3.8.1 Various elements of forecasting ice, snow, drifting, road surface temperatures etc. by time and location throughout Shetland are currently provided by the Met Office from the beginning of October to the end of April each year.
- 3.8.2 The Met Office Contract, which over a period of five years exceeds £50,000, is due for renewal. The Council's Standing Orders Relating to Tenders and Contracts requires a contract of this value to go out to tender unless it is exempt from the provision of these Standing Orders. The Council can exempt a contract from the provision of these Standing Orders if they are satisfied that the exemption is justified by special circumstances.
- 3.8.3 Although we have been advised by staff in Contract Compliance and Legal Services that we should seek tenders for the provision of forecasts from now on, it is proposed that the current contract with the Met Office be extended for another year, meantime, without the requirement to go out to competitive tendering, for the following reasons:
 - 3.8.3.1 We have received a very good forecast service from the Met Office and are confident of their ability to continue to do so.
 - 3.8.3.2 There is insufficient time to prepare and carry out a tendering exercise before the start of the winter season (1st October). However, a timetable has been set to ensure that a new contract will be in place by this time next year. We have advertised for expressions of interest, and are now assessing and consulting with regard to the appropriate contract arrangements. We

expect to combine the provision of forecasting with Vaisala's work for operation of the ice prediction service (see Section 3.9 below). During the course of the next few months we will tender the joint contract, accept the successful tenderer's offer, and oversee any necessary transition arrangements.

3.8.3.3 It has been decided to tender the provision of Roads weather services separately from Ports and Harbours' ones, since they are very different in nature. There is also no expectation at present that a national framework contract will be available in future through Scotland Excel.

3.8.3.4 Taking all of this into account, I propose that the Council suspend the standing order that requires this contract to go out to tender and instead seek to extend the current contract with the Met Office for one further year.

3.9 Winter Service (Weather Stations Maintenance and Management)

3.9.1 We have six roadside weather stations, which are provided and maintained by Vaisala. In addition to the weather stations themselves, Vaisala also provide a bureau service to collect and manage the data from the weather stations, and also to give us access to the data through the internet and dedicated computer systems.

3.9.2 The Vaisala contract is now due for renewal and its cost will, over a period of five years, exceed £50,000. The Council's Standing Orders Relating to Tenders and Contracts requires a contract of this value to go out to tender unless it is exempt from the provision of these Standing Orders. The Council can exempt a contract from the provision of these Standing Orders if they are satisfied that the exemption is justified by special circumstances.

3.9.3 Although we have been advised by staff at Contract Compliance and Legal Services that we should seek tenders for the provision of this work from now on, it is proposed that the contract with Vaisala for the maintenance and management of our six weather stations should be extended for another year without going out to competitive tender for the following reasons:-

3.9.3.1 We have received a very good service from Vaisala and are confident of their ability to continue to do so.

3.9.3.2 Our weather stations and data systems have been supplied by Vaisala; it is very doubtful that any other company has the knowledge and access to spares that would enable them to satisfactorily maintain them.

3.9.3.3 We have been in touch with a consortium of other Local Authorities in Scotland which had recently completed a tender exercise and were unable to identify any supplier other than Vaisala to maintain their weather stations.

3.9.3.4 There is insufficient time to prepare and carry out a tendering exercise before the start of the winter season (1st October). However, a timetable similar to that detailed in paragraph 3.8.3.2 above was drawn up, and as noted in that paragraph it is intended to tender provision of this service jointly with the provision of weather forecasts.

3.9.4 Taking all of the above into account, I propose that the Council should suspend the standing order that requires this contract to go out to tender and instead we should seek to extend the current contract with Vaisala for one year in the meantime.

3.10 Winter Service (Salt)

3.10.1 This contract was tendered by the Council in the past. However, there is now a contract in place with Scotland Excel, and the Council has agreed to participate in it. It should be noted that there has been a significant rise in the price per tonne, and there is also an arrangement to review this price at 6-monthly intervals: both of which are of some concern to us with regard to the likely effect on the cost of the Winter Service.

3.11 Maintenance and Winter Service in Fetlar and the Small Isles

3.11.1 The Fetlar contract was tendered in Autumn 2007, following a review of all available resources in the isle for provision of the service. It is now due to be extended, subject to arrangements in the contract.

3.11.2 In Fair Isle and Foula I do not propose to alter the present, very small-scale, arrangements. In Skerries and Papa Stour, most works are done directly by Mainland-based Council employees.

4 In-house Trading Arrangements

4.1 These continue where the Council has demonstrated, under the best value regime, that they are appropriate.

4.2 The categories of works done at present by the Roads Trading Organisation include the following:

- Winter service.
- Surface dressing and slurry sealing.
- Resurfacing
- General roads maintenance (that is, grass cutting (rural verges), drainage maintenance, road sweeping, patching, localised reconstruction, footway maintenance, verging, streetlighting replacement, minor improvements, and minor repairs to structures).

4.3 The Roads Best Value Service Review, approved by the Resources Committee (Min. Ref. 28/02), concluded that the current mix of in-house and external provision was good value for money. Those arrangements were therefore extended. However, regular reviews of how the Council

provides services allow continuous and consistent monitoring and therefore helps the Council to secure best value.

4.4 Annual Review and Performance Monitoring

- 4.4.1 The Roads Programme Manager carries out a systematic audit of random samples of individual works. The issues identified have included some under-estimating of the costs of works at the time they are ordered, not quantifying certain works, and not fully noting all commitments. We are seeking to improve on these issues. (The Random Sample Report for this year is in hand).
- 4.4.2 The Roads Training Supervisor carries out random checks of safety procedures at various work sites. The Senior Foremen and engineering staff undertake regular checks on health and safety, risk assessments, and workmanship of works in progress.
- 4.4.3 In recent years the Council introduced a more robust Risk Assessment Procedure. The Council has trained a number of staff who have demonstrated their level of competence by successfully completing an examination to achieve a National Certificate in Construction Safety and Health qualification as set by NEBOSH (National Examination Board for Occupational Safety and Health).
- 4.4.4 The Council has introduced a recycling initiative at the Scord Quarry to minimise the amount of waste sent to landfill. Much excavated hard material can now be processed at the quarry. The Council has old cats eyes cleaned by Lerwick Engineering and Fabrication Ltd for re-use.
- 4.4.5 The Roads Maintenance Manager and the Programme Manager have overseen the creation and operation of an Asset Management Framework in conjunction with representatives from all other Scottish Authorities. This is co-ordinated through the Society of Chief Officers of Transportation in Scotland (SCOTS), and the framework allows authorities to determine the value of their entire roads inventory. It also allows future maintenance, operating, and financial requirements to be determined with a greater level of confidence than before. It also provides proof that *all* of Scotland's roads authorities need greater funding to avoid long-term serious deterioration in the maintained state of our road networks.
- 4.4.6 The Association of Public Service Excellence (APSE) Performance Network processes benchmarks, to monitor and compare on an annual basis each participating authority's performance. This allows both inter-authority comparisons and year-on-year improvement initiatives to be evaluated. The Maintenance Manager presents a detailed report on this to meetings of the Member/Officer Working Group (Roads).
- 4.4.7 The Council's staff development review process has been extended to former manual workers to afford them the opportunity to contribute to service planning and improvement processes.

- 4.4.8 Assessment is under way to ascertain whether current procedures ensure business continuity, that is, the ability of the organisation to survive major disruption. To this end, several staff participated in an exercise organised by the Emergency Planning Service last year, and several important lessons were learnt.
- 4.5 Streetlighting maintenance is carried out by Building Services, and replacement works are also done by them with the assistance of Roads squads. There is a process of regularly updating these arrangements, and this will continue. In 2008, for example, the Council improved the recording of cyclical streetlighting maintenance, and are able to show that repair times are good.
- 4.6 In order to carry out all of the above works, the Roads Trading Organisation and Building Services occasionally engage private contractors to carry out some elements of the work. This allows a flexible approach to individual tasks and helps to ensure that value for money is achieved. It is partially reviewed as part of the overall review of these in-house arrangements. The engagement of these contractors requires to be carried out in accordance with the Council's procurement policy and procedures.
- 4.7 In autumn 2005 the Roads Service included 19 questions to the "Your Voice" public opinion panel asking participants to rate particular aspects of the service provided in one of five categories from very poor to excellent. The exact same questions were repeated three years later in autumn 2008.
- 4.8 A rating of 85% or better was achieved in 10 of the 19 questions in 2008, compared to 8 in 2005. At the other end of the scale, a rating of 74% or less was given for one question in 2008 compared to five in 2005. This indicates that customer satisfaction is generally not only high, but also improving.

5 Capital Rolling Programmes

- 5.1 For practical reasons, the above contracts and in-house arrangements have also been used to carry out a proportion of the improvements done under the Roads and Transport Capital Rolling Programmes and minor roads-type work required by other Services. In 2004 the Infrastructure Committee (Min. Ref 26/04) delegated authority to the Executive Director or his nominee to continue to order such works from the appropriate contractor or in-house provider as in Sections 3 or 4 above provided the following conditions apply. Otherwise the works are put out to tender. The conditions also apply to maintenance works, and are:
- 5.1.1 That the nature of each of these Capital works should be very similar to those maintenance works for which the above contracts or in-house arrangements have been established, and
- 5.1.2 That the estimated cost of the projects does not exceed £150,000 in value.

6.0 Implications

Strategic

- 6.1 Delivery on Corporate Priorities - The actions detailed in this report are required to meet the Principles of the Shetland Transport Strategy, particularly the need to ensure Sustainability, Accountability, Partnership with others, Efficiency, Compliance with legislation, and that decisions are Evidence-based. The report is required in order to ensure Accountability.
- 6.2 Community /Stakeholder Issues – None.
- 6.3 Policy And/Or Delegated Authority
- 6.3.1 The Council's Scheme of Administration and Delegations provides authority for each functional committee to discharge the powers and duties of the Council within their own functional areas in accordance with the policies of the Council, and the relevant provisions in its approved revenue and capital budgets.
- 6.3.2 Since the Roads Best Value Service Review was approved, the Council has tendered some of the external contracts; negotiated under delegated authority with the providers to extend the remaining contracts; and reviewed and extended the in-house arrangements. Further reviews have resulted in minor amendments and additions to these arrangements (Infrastructure Committee, Min Refs 26/04, 06/07, 34/09 and 69/10).
- 6.3.3 Authority is delegated to the Chief Executive, or his nominee, to participate in contracts established by Scotland Excel and Procurement Scotland for the public sector (SIC min ref 125/08).
- 6.3.4 Standing Order H13(c) states: "Where the appropriate Director considers that an existing contract should be extended and that a tender should be negotiated with the existing contractor, he shall before entering into negotiations, obtain the approval of the appropriate Committee both in respect of the extension and of the negotiation with the existing contractor."
- 6.4 Risk Management - One of the reasons for carrying out the above review is to minimise the financial, legal and governance risks which could arise from *not* reviewing our procurement procedures.
- 6.5 Equalities, Health And Human Rights – None.
- 6.6 Environmental – None.

Resources

6.7 Financial

6.7.1 There are no financial implications arising directly from this report. However, it does seek to ensure continued value for money in the procurement of roads maintenance and minor improvement works. The total cost of these is currently about £7m per year.

6.7.2 A small increase in the cost of providing the Winter Service may arise from extending the two contracts for weather forecasting, etc (see paragraphs 3.8 and 3.9 above), but this can be met meantime from approved budgets. In addition, the Winter Service is currently under review. It may be that when the existing weather stations fall due for replacement, we would consider whether it would be satisfactory to operate with fewer of them, and also whether to receive fewer forecasts from them.

6.7.3 A more significant increase has arisen from the new arrangements for the supply of rock salt (para 3.10). These cost increases are unavoidable while we operate the current policies and procedures for the Winter Service. However, the current Review of the Winter Service will consider a range of measures, including the possibility of making greater use of a salt/grit mix. This could offset the above cost increase.

6.8 Legal – The Council's approval of the recommendations in this report would not incur any new legal implications.

6.9 Human Resources – None.

6.10 Assets And Property – None, other than to be aware that the above measures are concerned with the maintenance, repair and management of the Council's largest and oldest asset: the public road network.

7.0 Conclusion

7.1 I recommend that the Committee notes the contents of this report, especially the duty under the Local Government in Scotland Act 2003 to make arrangements which secure best value. I advise that this approach continues to provide the best mix of in-house trading arrangements and external contracts, for the provision of works and services, to maintain and improve the public road network in Shetland.

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