

Managing and dealing with potholes to minimise risk for local authorities



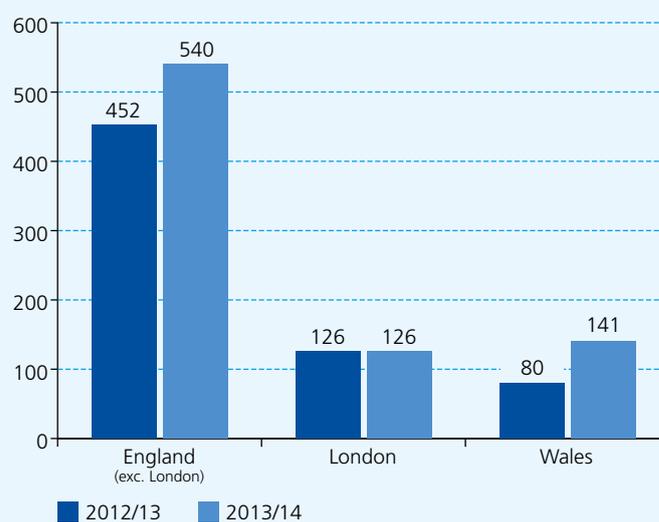
The state of highway maintenance is a cause for concern amongst all highway authorities. It is reasonable to say that the highway network is deteriorating at a faster rate than current funding permits authorities to maintain standards. Although the government has recently announced funding of £168m, split between 148 councils, to help fix some three million potholes by March 2015⁽¹⁾, there is still a shortfall of £587m in the annual road structural budget for local authorities.

Throw into the mix the severe weather events we have experienced in recent years – flooding, prolonged periods of freezing and the reduction in resources available for maintenance – and you start to get a picture of the problems.

Zurich Municipal work very closely with its customers to make sure that they have the correct information and insight they need to help them keep claims to a minimum during these testing times.

This risk insight aims to provide you with guidance as to how you can minimise any further claims from potholes by taking the necessary internal steps to make sure procedures and records are in place.

Number of claims in past year (average per authority)



The average number of claims received by local authorities for compensation for damage to a person or vehicle as a result of poor road condition increased in England by nearly 20%. Last year it remained the same in London but has increased substantially in Wales in 2013/14.

Amounts paid out over the last year are lower than 2013 across all regions. It is not possible to identify a clear trend based solely on the amounts paid out in compensation, as these may relate to claims made in a previous year or years.

¹ http://www.asphaltindustryalliance.com/images/library/files/ALARM_Survey_2014.pdf

Risk guidance: how to minimise the risks

• Budget Pressures

National and local influences can push councils towards a “worst-first” strategy for maintaining roads. Managing with less funding, Councils need to be tougher in prioritising long-term demands over short-term demands to minimise costs and deliver value for money. Applying asset management principles will help Councils make decisions on which roads to maintain and their treatment based on need rather than the size of the maintenance budget.

• Asset Management

To deliver asset management Councils need to develop inventories that are fit for purpose. A dataset needs to be defined which should include asset size, condition and location but could also be expanded to include details such as age, material and costs. Councils should also explore additional means of collecting asset data, such as asking utility companies to collect data when undertaking roadworks and ensuring that any public reporting is fed into the inventory.

• Standards

Maintenance standards, which will include inspection and repair priorities, need to be clearly identified and take account of local needs as well as national guidance. Where standards differ from those set out in “Well Maintained Highways, Code of Practice for Highway Maintenance Management” they need to be supported through a risk based decision process and signed off as Policy by Members.

• Identification

There needs to be a consistent approach to defect identification and repair response. Inspection manuals should be used to support the implementation of maintenance policies but this in itself is not sufficient. Formal training is required to ensure highway inspectors have an understanding and level of competence in relevant legislation, local policy, highway engineering and material performance.

• Training

Network Managers, Maintenance Managers and Inspectors can be called to court to provide evidence in civil liability claims. The provision of Court Room Skills training not only helps those individuals prepare for such eventualities but also ensures that a robust defence to an action can be presented.

• Recording

Accurate and detailed records need to be maintained for every highway inspection. Records need to consistently provide evidence that the road/street was inspected, if any defects were observed, when the inspection took place and who undertook the inspection. Where repairs are needed the date of completion must be captured. The use of data capture devices as part of an electronic maintenance management system should be considered.

• Contractors

Partnership with contractors can help manage risk and liabilities providing suitable control measures are in place. Arrangements need to be in place to monitor and address poor performance. Protocols should be agreed to address claims issues including information sharing, communication and claims data ownership. Records of past contractors should be kept if needed for reference at a later date.

• Streetworks

On average there were 13,000 utility company openings per highway authority last year. No matter how good the reinstatement is, it will introduce weakness into the highway reducing the lifespan of the asset. Highway authorities and utility companies must aim to minimise the number of street works through better communication and coordination and encourage the use of trenchless technologies. Monitoring of reinstatements through activities such as core sampling will help improve standards.

Case study

Between May 2009 and May 2014 Walsall Metropolitan Borough Council have been working with contractors to provide a streamlined reactive maintenance service throughout the road network. As part of this project there was initial work carried out to identify the best way to deal with potholes.

As part of Walsall Metropolitan Borough Council’s agreement with the contractor, a project was initiated and delivered using LEAN principles. This analysed the state of the road network and identified possible solutions. These were tested on site with involvement from workforce, highways inspectors and the contractor’s operational staff. Following trials it was agreed to fix all potholes with a first time permanent repair material using an Econ built road-mending vehicle.

The analysis that was carried out before found that most potholes were temporarily filled which resulted in an 80% failure rate. This resulted in further visits, additional workforce and increased the overall costs.

By working with the contractor and assessing the solutions, the first time fix resulted in:

- Zero failure rate on identified potholes and zero return visits to the same pothole
- Reduced insurance claims – Circa 40% less
- Annual cashable savings of at least £220k
- Reduced customer complaints
- Reduced waste on coated asphalts – Circa 50%

This case study shows that taking the additional steps to plan, evaluate and test can reduce your claims and complaints in the future. Additionally, taking a consistent approach to fixing potholes can result in a reduction in failure rates and a possible reduction in claims to your organisation.

For more information on how Zurich Municipal can help you minimise the risk of claims from potholes please contact your Risk and Insurance consultant or email info@zurichmunicipal.co.uk