

# HOW COUNCILS HAVE HANDLED THE ROAD MANAGEMENT ACT

The lessons learnt by councils in adjusting to the demands of the new Victorian road management legislation holds valuable lessons for road authorities across Australia.

By **Ashay Prabhu**

The *Road Management Act* is now well and truly in place in Victoria and the experience of implementing the Act in practice has been an eye-opener for many councils.

The legislation:

- Applies to road reserve and footpath assets.
- Councils in Victoria, no longer covered by nonfeasance, now have to demonstrate that they are maintaining and managing assets to a nominated standard.
- Maintenance and renewal standards have to be reasonable and equitable.
- The Act also imposes rights and duties on road users.

Whilst the Act does not prescribe that councils should have a Road Management Plan, it is now considered prudent to have one as this plan provides the governing framework that defines council's position of reasonableness and standard of asset provision.

Victorian councils also have the insurance audit requirements to be fulfilled, many of which now are based around complying with this Act.

What is the current state of play? The wide variance in service level charters across the state, combined with disparities in how risks are identified and managed within constrained budgets, means that there is not a totally clear objectivity in which the Act is applied.

In simple terms, the Act specifies the principles and provisions upon which councils would be expected to deliver services but the Act in itself does not specify what an appropriate standard of service is.

What does this mean? Service levels are standards of asset provisions that councils aim to provide. In simple terms, councils would do the following:



1. identify the service required today and in the future, e.g. active recreation;
2. determine a standard or level at which that service is needed, e.g. accessible 24 hours, located in vicinity of demand and kept at a pleasing aesthetic standard;
3. articulate to customers how the service is provided at the following levels:

- a. new assets - build and design infrastructure that meets defined service provisions;
- b. renewals - upgrade and replace infrastructure that will be able to meet service provisions.
- c. maintenance - maintain infrastructure at a minimum standard that ensures that assets are always above the acceptable service standard.

At the basic level, standards of maintenance, renewal and new assets are articulated in terms of an intervention point (risk, condition or adequacy based at which council will repair) and council's responsiveness (maximum time frame within which council may respond).

For example, we expect to intervene when a pot-hole is 300mm wide and 25mm deep and respond with a permanent asphalt patch within 7 days on an arterial road and within 30 days on a residential street.

## Grassroots lessons

The grass-root implementations of a dozen Victorian councils and many Tasmanian councils indicates how councils are responding and adapting to the impact of the legislation. The rigour of the Victorian insurance audits is also being applied in Tasmania (perhaps by default) and this has led many Tasmanian councils to embrace the principles of risk management and traceability based on documented standards.

1. The greatest lesson learnt in the last eighteen months has been the need to get grass-root staff involved in the implementation of service level standards and asset management plans to make the plans work on the ground. They have the knowledge of ground issues and often

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have a wealth of knowledge on what works well and why.

They also have a sense of what can be achievable from a practical perspective and our experience in every single case has been that developing standards with on-the-ground staff means they take ownership of implementation and without a doubt, it works.

2. Most Victorian councils have opted to set a default performance standard of 100%. This means “we will achieve our stated response time for stated intervention levels 100% of the time.” The lessons learnt here are:

- Many councils, in their aim to achieve 100% targets, have set response times that are unreasonable or have unreasonable intervention levels.
- Where intervention levels and responsiveness is reasonable, 100% targets may not be achievable as our resource levels are not sufficient.

The question has been asked - “what will the courts consider reasonable? - an edge drop at intervention depth of 100mm, repaired each time, on time, or an edge drop at intervention depth

50mm, repaired in 75% of the cases within a reasonable response time”.

Legal opinion suggests that standards of achievement less than 100% are totally acceptable, provided they are based on facts and resource level analysis.

3. Many councils that I am personally involved with are now focusing on getting the standards right - right meaning “achievable, practical, equitable and meaningful”. Involving on the ground staff has been a phenomenally good influence. Changing standards is, however, not as straightforward as it sounds. For example, if we changed the footpath intervention for grinding repair from 15mm step to say 25mm step, what do we do with the data we own in our system which is between 15 and 25mm.

4. Scheduling and planning work based on service standards is not as simple as it sounds, but need not be complex if set up well. We have learnt that backlogs have to be managed in a manner that has least influence on next fortnight’s and monthly plans. Technically, prolonged back-logs do suggest that service standards that have been nominated by council are not achievable.

5. Prioritisation of maintenance work is a fundamental aspect of the insurance audit. We have experienced some truths consistently from our training programs for over 300 maintenance crews to date in various councils.

The simple truth is that the method of prioritisation has a big influence on what the work plan location looks like. A work schedule based on response time only can be significantly different to a work schedule based on risk and response time.

6. Developing robust operational processes in work planning and scheduling is also fundamental to successful implementations of our asset management plans and once again the real success stories have been from those councils that have concentrated on process integration and skills training first, before indulging in IT systems.

7. Training of customer service staff in application of service level standards has been a real learning aspect. Customer staff receiving complaints or requests need to be aware of legislative needs, council’s asset management plans and service level standards.

8. Training of contractors is also extremely critical. We learnt, on over 20 sites, that providing an informed formal training session to contractors enables council’s work depot to keep work activity details by location and dates up to date in accordance with insurance and legislative requirements.

9. The last lesson is one about process and technology. Technology is not a solution to practise asset management or comply with legislation. It is the process, ownership from those involved, clarity in standards, testing and documentation that is critical.

Technology makes the process seamless, but does not assist in getting the process right. Most successful sites have been the ones that have focused on process first, using paper-based or spreadsheet-based systems before taking up sophisticated technology.

- **Ashay Prabhu of ACEAM is an asset management practitioner and provides implementation training all over Australia and South Asia. ACEAM is also assisting over 30 councils in asset management planning, strategy development, financial modelling and asset valuations using corporate registers. For more information see [www.aceam.com](http://www.aceam.com).**

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<p><b>NEW SOUTH WALES</b> Sydney: Head Office 12 Grand Avenue, Camellia NSW 2142 Ph +61 2 9638 0110</p> <p><b>SAMI Bitumen Technologies</b> Ph +61 2 9638 0110</p> <p><b>SAMI Road Services</b> Ph +61 2 9638 0110</p> <p><b>Grafton: SAMI Road Services</b> Lot 2 Tyson Street South Grafton NSW 2460 Ph +61 2 6643 1210 <a href="http://www.sami.com.au">www.sami.com.au</a></p>	<p><b>QUEENSLAND</b> Brisbane: <b>SAMI Bitumen Technologies</b> 15 Randle Road, Pinkenba QLD 4008 Ph +61 7 3260 2622</p> <p><b>SAMI Road Services</b> 866 Nudgee Road, Northgate QLD 4013 Ph +61 7 3260 5188</p>	<p><b>WESTERN AUSTRALIA</b> Perth: <b>SAMI Bitumen Technologies</b> Lot 2 N75 Port Beach Road South North Fremantle WA 6160 Ph +61 8 9431 7351</p>
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