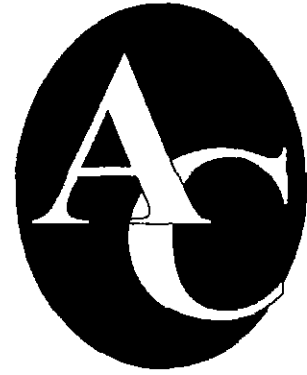


The
Accounts
Commission

A Costly Trip
Management of Road
Safety Defects

January 1996



PREFACE

Local roads authorities have a duty to ensure that each public road in their area is kept in reasonable repair, having regard to the volume of traffic using it, the standard of maintenance appropriate to its use, and public safety. Failure to maintain public roads to a safe standard may result in compensation claims being made against the council for accidents which have resulted in personal injury and/or damage to vehicles.

As many as seven out of ten public liability claims against Scottish local authorities relate to one major cause - carriageway and footway defects - resulting in 'tripping' and 'pot-hole' accident claims. Over the last three years, these claims have amounted to £10 million.

The Commission is concerned to ensure that public safety is seen to be important to councils. By improving public safety, the risk of injuries, financial loss and inconvenience to the public will be reduced.

Safety defects is an area of risk which councils must manage effectively in order to make best use of limited financial resources. Councils must seek to minimise accidents caused by safety defects by adopting sound inspection arrangements and effecting timely repairs. At the same time, effective inspection systems will assist in the defence of a claim. To control the cost of claims, councils require rigorously to examine each incident to ensure that any payments made are justifiable.

The Commission's overview involved an examination of councils' safety defect inspection policies, repair target times and the monitoring of performance. It explored the extent to which councils adopt a safety defect risk management strategy as a means of targeting risk areas for preventative action. The Paper recommends action managers should take to improve council performance, thereby improving public safety and minimising the total cost of claims falling on their council.

The Commission would like to thank all those councils who participated in the fieldwork. Thanks are also due to the County Surveyors' Society and the Association of Local Authority Risk Managers (Scotland), who greatly assisted the Commission to focus its work and to gather its fieldwork data. The Commission does, however, retain sole responsibility for the findings and recommendations in this Paper.

The Commission intends to conduct follow up reviews with the new councils through the local audit process.

CONTENTS

PREFACE	1
SUMMARY	5
1. INTRODUCTION	9
BACKGROUND TO THE STUDY	9
COUNCIL ROAD MAINTENANCE RESPONSIBILITIES	10
WHAT IS A SAFETY DEFECT?	11
SURVEYS AND INSPECTIONS	12
ROADS INFORMATION SOURCES	13
2. MANAGING SAFETY DEFECTS	15
SAFETY INSPECTION POLICIES	15
COMPLIANCE WITH THE CODE OF PRACTICE	15
THE SAFETY INSPECTION PROCESS	16
RECORDING AND MANAGING DEFECTS	18
REPAIRING SAFETY DEFECTS	20
3. SAFETY DEFECT PUBLIC LIABILITY CLAIMS	23
INCIDENCE AND TREND	23
CLAIMS ADMINISTRATION	25
COST OF CLAIM SETTLEMENTS	29
4. MANAGING RISK	30
GOOD MANAGEMENT PRACTICE	30
A GOOD PRACTICE CHECKLIST	32
APPENDICES	
A COUNCIL CASE STUDY	35
GLOSSARY OF TERMS	36

SUMMARY

Scottish local roads authorities are responsible for the maintenance and repair of some 50,000 kilometres of public roads. Their maintenance and repair programmes are funded from limited finances which means that councils must prioritise and target their resources having due regard to the maintenance and protection of public roads, traffic use, user safety, and overall value for money considerations.

The Association of County Councils and the Convention of Local Authorities in Scotland, issued in 1989 a Highway Maintenance Code of Good Practice. The Code recommends to councils the adoption of prescribed safety inspection intervals for carriageways and footways, ranging from one month for high risk areas, to one year for low risk areas.

The Commission was concerned to establish the extent to which councils have adopted the inspection intervals recommended by the Code. Most councils reported that they carry out more frequent safety inspections of higher risk carriageways, but few were found to comply fully with the Code's recommended inspection intervals. The majority of councils reported that they inspect most footways in line with the recommendations of the Code.

The Commission found a number of weaknesses in the approach generally adopted by councils for managing safety inspections.

- Only a few councils have adopted a formal safety inspection policy and communicated their service delivery standards to the public.
- Few councils adopt a programmed approach to conducting safety inspections.
- In some councils, there is no uniformity of approach between operational areas. Some area divisions may have routine systematic procedures, while others may have ad hoc arrangements with no prescribed intervals between inspections.
- Few councils have issued standard written instructions on the inspection procedures to be followed by all inspectors.
- Only a few councils have set defect standards which trigger intervention on grounds of safety.
- Councils do not always achieve their target repair times.
- Most councils do not formally monitor contractor repair completion times.

Council procedures for recording and managing defects found should be streamlined and conducted in an efficient and effective manner. But the Commission's findings suggest that this is not always the case. Valuable inspector staffing resources could be freed to augment the £850,000 a year already invested in safety inspection staffing if councils adopted less time consuming recording methods. To improve operational and administration efficiency, four councils indicated that they are piloting the use of hand held computerised notebooks to manage and record safety inspection data.

Through a combination of managed inspections and information received from the public, councils estimate that they identify some 150,000 road safety defects a year. Strathclyde regional council accounts for almost half of that total, followed by Lothian(20%), Grampian(12%), Tayside(11%) and Fife (3%). Together, the other seven roads authorities account for 7% of all defects.

Local authorities may be legally challenged by the public for failing to keep a carriageway, footway, or footpath in reasonable repair having regard to its use, the standard of safety appropriate to its use, and public safety. In the last three years, over 23,000 claims have been made against local roads authorities, Strathclyde accounting for more than 60% of that total.

Although some 60% of these claims were successfully repudiated (i.e. rejected) by councils, it is estimated that the remaining 10,000 claims will result in councils making compensation payments totalling £10 million for that three year period. But that direct cost is only the tip of an iceberg. To this sum can be added the substantial costs of administering claims, diverted staff time, and legal costs etc. Council risk managers estimate that these 'hidden expenses' increase council costs at least fourfold.

Most of these claim settlements relate to tripping and pot-hole accidents caused by the failure of the road surface. About 75% of all claims submitted concern carriageway defects which have resulted, for example, in burst tyres and vehicle exhaust damage. Often these are low value claims, mostly under £500. The remaining 25% of claims relate mainly to personal injuries sustained as a result of footway defects. These can result in higher settlements which range typically from £500 to £2,500. But exceptional cases have arisen where a council has had to pay damages in excess of £200,000.

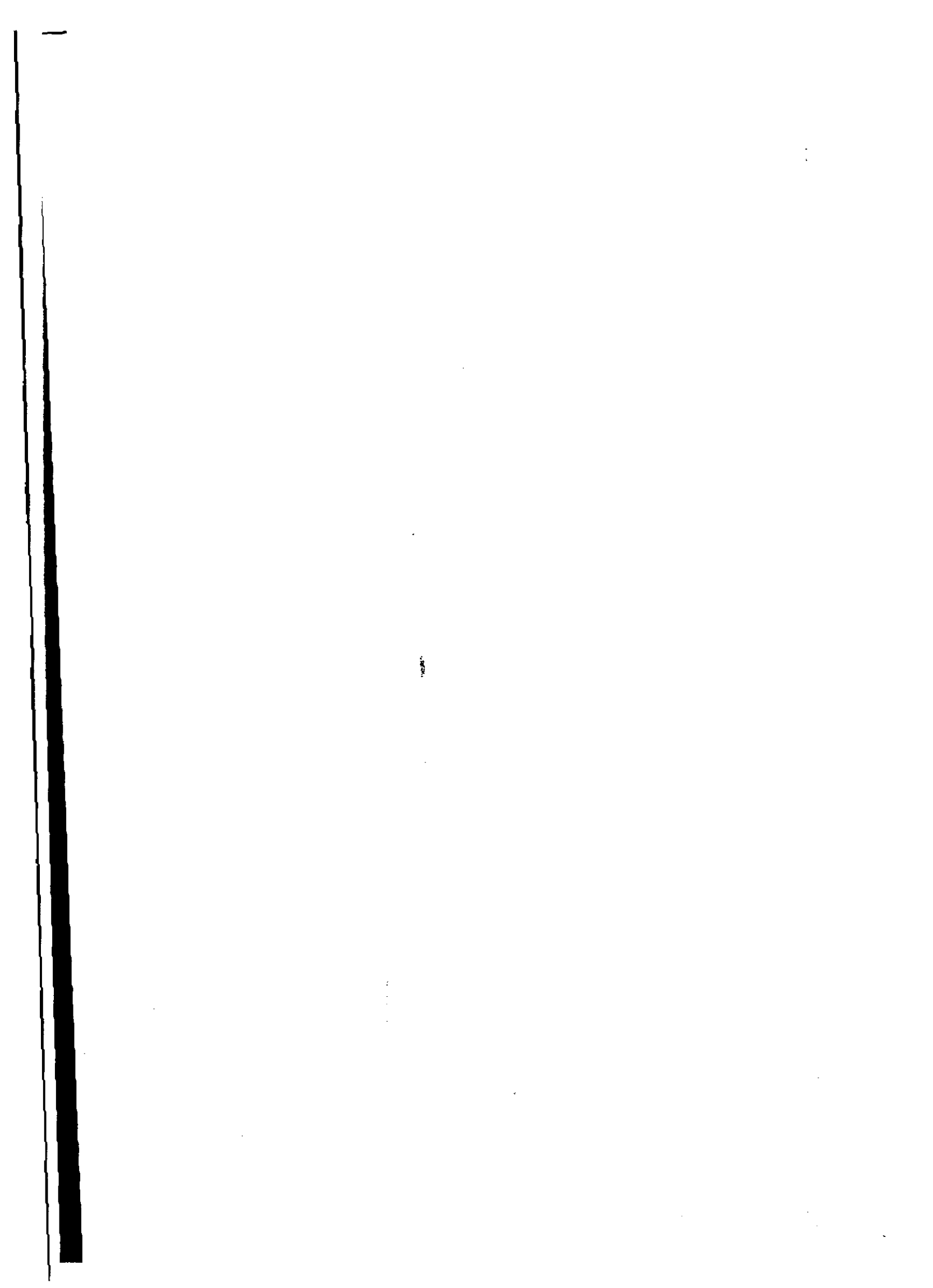
The Commission identified various factors which influence the number of defects and consequential claims received. The level of investment in the road infrastructure cannot be disassociated from the condition of the road and pavement fabric, and the level of defects arising. The number of defects found, and made safe, will depend on the effectiveness of a council's safety inspection arrangements and its efficiency in repairing defects within reasonable time. Councils also require to take account of the circumstances of their local area. Adverse climate and weather can affect the incidence of defects; the incidence of claims is generally higher in an urban environment, and the public's awareness of their rights, together with the development of a 'claim culture' can affect the local level of claims.

By adopting systematic procedures for identifying safety defects and implementing timely repairs, councils can reduce injuries, financial loss and inconvenience to the public. Maintaining comprehensive records of the safety inspections undertaken, their results, and the repairs action taken, will also assist councils to assess claims when they do arise. The quality of records and the accuracy of documentation are vital if councils are to identify claims which should reasonably be repudiated.

Within each council, the number of claims received can vary significantly by operational area. Unitary councils will wish to develop a claims database and undertake analyses to identify those areas with a higher incidence and trend of particular types of claims. Armed with this information, the council can target its problem area(s). The key causal factors should be investigated and, where reasonable and practicable, the council should take steps to minimise the risk of accidents and consequential claims.

As a matter of good management practice, claims administrators should always be alert to the possible submission of overstated or fictitious claims. Whilst practitioners consider the incidence of attempted fraud to be low, the Paper commends measures which councils should adopt to minimise potential fraud.

Traditionally, councils have paid substantial premiums to insurance companies to handle their public liability claims and provide cover for losses. But in the last few years, a number of councils have adopted a self-insurance strategy for low value claims, insuring externally catastrophic risks to protect the council against significant financial loss. Generally, an excess of at least £100,000 applies to individual public liability claims.



Councils highlighted many potential benefits, both financial and non-financial, from self-insurance and improved claims management. These included: reduced insurance premiums; a greater incentive to reduce the cost of claims that must be met direct from council resources; improved database information for managing risk; better control over claims assessment; and increased customer satisfaction from being seen to act quickly.

Local government reorganisation increases the number of local roads authorities from 12 to 32. These councils have a duty to the public to ensure, as far as possible, their safe passage. They will need to ensure that their carriageways, footways and footpaths are maintained in reasonable condition to avoid potentially costly claims against them.

The Commission believes this Paper will assist the managers of the new councils to develop an effective risk strategy for managing road safety defects. It provides a checklist of key pointers to assist managers to take steps to improve council performance, thereby improving public safety and minimising the total cost of safety defect public liability claims falling on their council. Included in the Appendices to this Paper are a glossary of terms and a case study which provides background to a council's development of a standardised safety defects inspection process and highlights the potential benefits from its adoption.

1. INTRODUCTION

BACKGROUND TO THE STUDY

Councils may be legally challenged by the public for failing to keep a carriageway, footway, or footpath in reasonable repair having regard to its use, the standard of safety appropriate to its use, and public safety. Strathclyde regional council has experienced a significant increase in the number and cost of public liability claims against its roads department. In one year, its potential claim settlements for pot-hole and tripping accidents amounted to £4 million.

Many councils have adopted and actively promote the principles of the Government's Citizens' Charter programme. Now, more than ever, the general public is better informed about the standards of service they can expect from their council. They are encouraged to report apparent defects and to complain about service standards. People are more aware of their legal rights - we live in an increasingly litigious society. The public is now more likely to seek financial redress against the party liable for their damage or loss. Crucially, this means that councils must manage their affairs with this claims potential in mind, by adopting an effective risk management strategy.

The need for councils effectively to manage safety defects is a national issue. In 1995, the Kindred Associations published its report 'Highway Liability Claims - The Issues'. It reviews the current highway related insurance environment and the impact that increasing public awareness of their legal rights is having on devolved highway maintenance budgets. The report supports a pro-active approach to controlling highway related claims based on risk management.

Local government reorganisation in Scotland increases the number of local roads authorities from 12 to 32. These councils will need to ensure that their carriageways, footways and footpaths are maintained in reasonable condition to avoid potentially costly claims against them.

The new councils can learn from roads authorities with experience of managing safety defects. The Commission therefore decided to review arrangements for managing safety defects in the nine regional councils and the three islands councils which are currently responsible for the maintenance and repair of local public roads. The overview is concerned with promoting best practice

- in managing safety defects; and
- in managing the financial risk attaching to safety defect claims.

The remainder of this chapter looks at councils' road maintenance responsibilities, safety defects, and the means by which councils gather information on identified defects, by inspections and from other sources.

Chapter 2 looks at the management of safety defects, including: inspection policies: extent of council compliance with the Highway Maintenance Code of Practice: inspection processes: managing defects; repairing defects and the monitoring of repairs action taken.

Chapter 3 profiles the incidence and trend in safety defect claims experienced by councils over the last three years. It looks at councils' claims administration arrangements, repudiation rates, and the cost of claim settlements. Chapter 4 commends the key steps for effective risk management of safety defects.

COUNCIL ROAD MAINTENANCE RESPONSIBILITIES

The road network in Scotland falls into three main categories: motorways and trunk roads; public roads; and private roads. Responsibility for the maintenance of the motorway and trunk road network lies with the Scottish Office Environment Department. For these roads, separate maintenance and inspection arrangements apply. This overview is concerned only with the public roads for which local councils have roads maintenance and safety defect inspection responsibilities. Notwithstanding, the principles of this Paper apply with equal validity to motorway and trunk roads inspection systems.

Each roads authority has a duty of care to maintain and repair, to a reasonable standard, all the public carriageways, and most public footways and footpaths in its area. District councils are currently responsible for the maintenance of certain footpaths. These areas include: paths and stairs leading to council houses; multi-storey housing car parks; forecourts to swimming pools; paths around football pitches; and public rights of way. Across Scottish district councils, footpath claims are generally not significant in number or value.

Local roads authorities in Scotland have a statutory duty to 'keep a list of public roads' in their area and to manage and maintain all roads on that list. The relevant powers are contained in Section 1 of the Roads (Scotland) Act 1984. In England and Wales, Section 58 of the Highways Act 1980 states that

'... in the event of action against a highway authority for failure to maintain, it shall be a defence to show that the road was kept in reasonable repair having regard to the traffic using it, the standard of maintenance appropriate to its use and public safety.'

Scottish authorities do not have equivalent legislation. But the principles set out in English legislation are the cornerstone of a Scottish council's defence against any claim for damages. English case law is likely to be persuasive in Scotland.

Scottish local roads authorities are responsible for the maintenance and repair of some 50,000 kilometres of road. Their maintenance and repair programmes are funded from limited finances which means that councils must prioritise and target their resources having due regard to the maintenance and protection of public roads, traffic use, user safety, and overall value for money considerations.

Unlike in England and Wales, in Scotland there is no annual national survey of the condition of public sector roads and footways. South of the Border, recent surveys have shown that, after deteriorating until the mid 1980's the general condition of roads in England and Wales has since been fairly stable. In Scotland, it is the general view of roads practitioners that limited resources have led to an under-investment in the public road infrastructure. The view expressed by certain councils is that these constraints have led to councils adopting short term reactive measures as opposed to planned measures which would deliver better value for money in the long term.

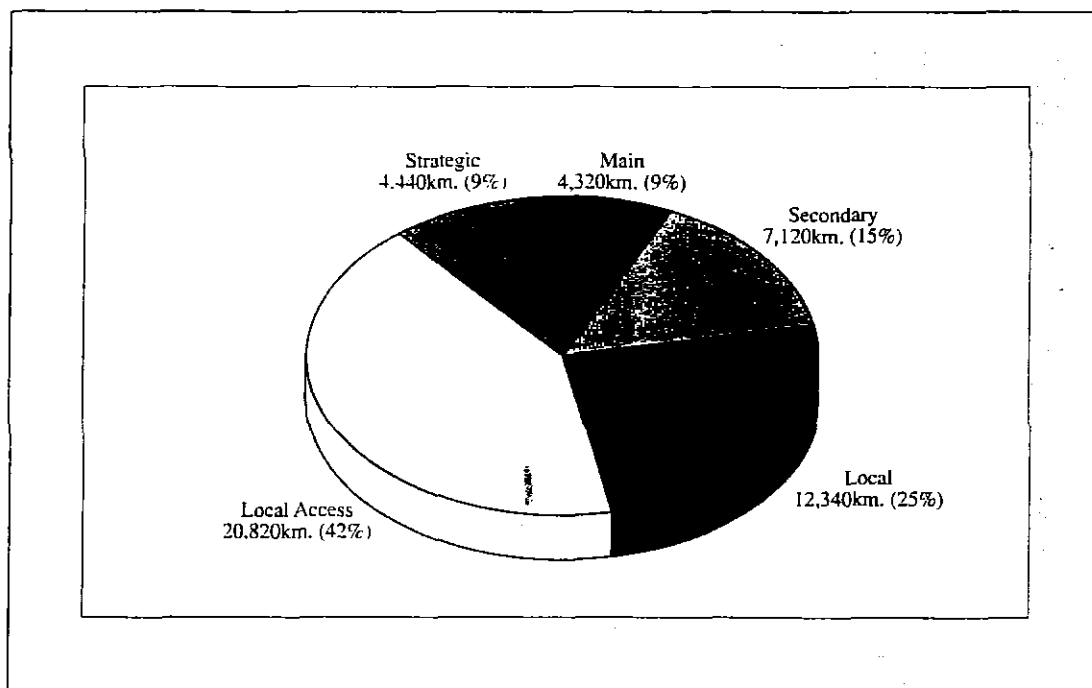
The Association of County Councils and the Convention of Local Authorities in Scotland, have issued a Highway Maintenance Code of Good Practice (the Code). It commends to authorities the adoption of a road hierarchy as the basis for allocating resources and deciding the maintenance priority to be accorded to each class of road.

The respective categories are

- strategic routes those which deliver the basic road service links to certain areas or communities. These include local authority motorways, primary routes and the most important urban traffic links with more than a local significance.
- distributor routes both main and secondary roads which serve a local purpose and connect to strategic routes.
- local roads inter-connecting roads, local access roads, and the remainder of the network.

Exhibit 1 analyses the total road length by hierarchical structure. Strategic routes, which carry intense traffic volumes, comprise a relatively small proportion (9%) of total road length. Conversely, local access roads, which carry lower traffic activity, comprise over 40% of the total road length.

Exhibit 1. The Local Authority Roads Hierarchy



WHAT IS A SAFETY DEFECT?

The safety risk attaching to individual defects in carriageways, footways and footpaths is wholly dependent on the potential danger presented to road users, pedestrians, and cyclists. The level of danger relating to each defect is site-specific. Relevant factors will include its location, its shape and dimensions, and the volume of users. The safety risk, however, can only be judged having regard to the particular circumstances of each case. For these reasons, it is the general consensus of roads practitioners that it is impractical to establish a standard definition for a safety defect. A balance requires to be struck between the risk of danger to the public and damage to property, the repair intervention level, and the resource implications of the adopted council policy.

Most councils rely on the personal judgement and experience of inspectors as to whether an identified defect presents a danger to the travelling public. If considered unsafe, action should be taken to repair the defect, or if it is impracticable to repair the defect in the short term, then the defect should be isolated from the public using the road.

Safety defect public liability claims are the subject of legal precedence. The legal judgements given provide a bank of case law. In a leading English case, *Cumming Bruce J. Littler v Liverpool Corporation* (1968) it was stated that

*'A highway is not to be judged by
the standards of a bowling green.'*

The established test in law is that the authority must maintain a road in such a state as to be safe and fit for the ordinary traffic which may reasonably be expected to use it. For a length of footway, or footpath, the test is reasonable foreseeability of danger. It is only dangerous if, in the ordinary course of use, danger may reasonably be anticipated from its continued use by the public who usually pass over it.

Adverse weather is one of the main factors which cause safety defects. Road deterioration is quicker in winter when severe frost can lead to road surface cracking/crazing problems. In winter, water-filled cracks freeze and expand, resulting in a cracking defect and creating a pot-hole.

Other main factors which cause defects include displacement of kerbs by heavy goods vehicles, the damage left by utility works, and settlement problems caused by leaking drains. Poor design features can lead to safety defects. One council found that the adoption of monobloc footpath surfacing in its town centre area led to an increased incidence of safety defect repairs.

The volume of work, including excavations and reinstatements, carried out by public utility undertakers on public roads is considerable. The New Roads and Streetworks Act 1991 introduced regulations concerning the co-ordination and execution of works, in the interests of safety and minimising inconvenience to the public. The Act requires the statutory undertaker to reinstate the street as soon after completion of the works as is reasonably practicable, and to effect permanent reinstatement within six months of completion of the work. If an accident is caused by the undertaker's temporary reinstatement, all liability should rest with the statutory undertaker.

SURVEYS AND INSPECTIONS

To ensure that maintenance need is properly assessed and that safe passage for road users is maintained, the Code recommends that councils carry out regular surveys and inspections. These fall into three categories.

- | | |
|------------------------------|---|
| Structural Condition Surveys | the method by which the structural condition of the road is determined. From such work, the need for expenditure on structural maintenance can be assessed on a priority basis. |
| Detailed Inspections | designed primarily to establish the programme of routine maintenance tasks not requiring urgent execution. |
| Safety Inspections | designed to identify those defects likely to create a danger or serious inconvenience to the public and therefore require immediate or urgent attention. |

The Code sets out recommended intervals for each survey and inspection category. (Table 1). The intervals for conducting safety inspections are much shorter than for other types of inspections. Increased risk areas, those with higher traffic volumes, should be the subject of more frequent inspection.

Table 1. Surveys and Inspections - Recommended Good Practice

Road Type	Recommended Inspection Intervals		
	Condition	Detailed	Safety
Roads			
Strategic routes	1 year	6 months	1 month
Main distributors	1 year	6 months	1 month
Secondary distributors	1 year	1 year	1 month
Local roads	**	1 year	3 months
Local access roads	**	5 years	1 year
Footways			
Main shopping areas	n/a	12 months	1 month
Busy urban areas	n/a	12 months	3 months
Other urban and busy rural	n/a	3 years	6 months
Little used rural	n/a	5 years	1 year
Cycleways			
Part of carriageway	As for roads	As for roads	As for roads
Remote from carriageway	n/a	1 year	6 months

Legend ** Frequency depends on findings of detailed and safety inspections.
 n/a Assumed that any necessary information is collected with other surveys.

ROADS INFORMATION SOURCES

Safety inspections are not the only means of identifying defects. Inspectors may also identify safety defects in the course of undertaking their general roads duties. These should be reported for repairs action, as appropriate. Reports by the public can augment, but are not an alternative to, the process of direct inspection. Means of encouraging public involvement include:

- provision of telephone help lines;
- roads reception telephone numbers advertised in local newspapers and in area offices; and
- well-publicised facilities for reporting road defects.

All road users (the general public as well as councillors and employees) should be encouraged to note and report road defects to the local council's roads department. Obtaining quality information from the public is crucial, and councils should look to encourage best information on the location and description of the reported defect.

A number of councils provide dedicated telephone lines for the reporting by the public of any problems relating to street lighting, carriageways or footways. In the central belt of Scotland, the most well known troubleshooting schemes are Strathclyde's RALF (Roads and Lighting Faults) and CLARENCE.

Lothian regional council, through its CLARENCE system, receives some 30,000 telephone calls a year relating to safety defects. Its adoption has successfully encouraged more road users to report apparent defects. Tayside and Central regional councils have adopted the CLARENCE system from Lothian through a franchising arrangement. Its success owes much to well-publicised campaigns to increase public awareness and involvement.

Grampian operates a roadline system for public calls. Each telephone call is fed into a computer database. At that point, the telephonist identifies any repeat complaint by a search for same address and categorises the defect by type e.g. carriageway, footway, or street light. That information is routed by electronic transfer to the relevant area roads division, where the appropriate remedial action required is taken. Details of the response action taken is updated to the database.

2. MANAGING SAFETY DEFECTS

SAFETY INSPECTION POLICIES

Only a few councils have adopted a formal safety inspection policy and have communicated their service delivery standards to the public. Box 1 illustrates the approach adopted by Dumfries and Galloway regional council to inform the public and enlist their support in maintaining roads free from defects.

Box 1. One Council's Approach to Increasing Public Awareness

Road Network Management:

Inspection

Roads are inspected as part of the authority's management system, but problems can occur between inspections and we welcome reports from the public. We inspect major roads and pedestrian footways at least once a month and our target is to have all other roads and footways inspected at least once every six months.....

Maintenance

Our aim is to have dangerous carriageways and footway defects attended to within one working day after they have been brought to our attention. Minor defects will be repaired as soon as they can be included economically into work schedules (normally within six months)....

Help Us to Help You

If you come across a hole in the road or an unlit street - or anything else you think we should be dealing with.....If we get it wrong or you feel we could do better.....**Then tell us about it!**

Either call into any one of our Area Offices or use the telephone numbers given to call us.

Few councils adopt a programmed approach to the conducting of safety inspections. In some councils, there is no uniformity of approach between operational areas. Each division may determine the inspection frequency for the carriageways, footways and footpaths in its local area. Some area divisions may have routine systematic procedures, while others may have ad hoc arrangements with no prescribed intervals between inspections. Few councils have issued standard written instructions on the inspection procedures to be followed by all inspectors.

COMPLIANCE WITH THE CODE OF PRACTICE

The Commission was concerned to establish the extent to which councils have adopted the inspection intervals recommended by the Code. For carriageways, most councils reported that they carry out more frequent inspections of higher risk areas, but few were found to comply fully with the Code's recommended inspection intervals. (Table 2). For footways, most councils reported that they comply with the requirements of the Code. (Table 3).

Table 2. Safety Inspections – Carriageways

	Strategic Routes	Main Distributors	Secondary Distributors	Local Roads	Local Access Roads
<i>Recommended Inspection Intervals</i>	<i>1 month</i>	<i>1 month</i>	<i>1 month</i>	<i>3 months</i>	<i>1 year</i>
Number of Councils which meet or exceed Code requirements	7	5	3	4	11
Number of Councils which do not meet Code requirements	4	6	8	7	0

Note. One council could not provide this information.

Table 3. Safety Inspections – Footways

	Main Shopping Areas	Busy Urban Areas	Other Urban/Busy Rural	Little Used Rural
<i>Recommended Inspection Intervals</i>	<i>1 month</i>	<i>3 months</i>	<i>6 months</i>	<i>1 year</i>
Number of Councils which meet or exceed Code requirements	8	9	9	9
Number of Councils which do not meet Code requirements	2	1	1	1

Note. Two councils could not provide this information.

Some of the reasons given by councils for not fully embracing the Code include:

- 'The lower inspection frequencies recommended by the earlier Code (the Marshall Report) have been found to be adequate.'
- 'Code standards are felt to be set too high.'
- 'Inspector staffing resource constraints, coupled with limited roads finance funding.'
- 'Existing ad hoc arrangements are considered to operate satisfactorily.'

It is questionable how sustainable these arguments might prove in Court, in the event of a fatality or serious incident.

THE SAFETY INSPECTION PROCESS

In the regional councils, roads operations have generally been organised into divisional area units which were sectioned into operational beats. All roads inspection matters within each beat or 'patch' is the responsibility of the duty inspector. Local knowledge and experience make a significant contribution to effective inspection and reporting. A good local knowledge of his/her 'patch' is very important. For example, it informs the inspector of the most likely areas where defects tend to arise. Newly appointed

inspectors receive practical on the job training by being 'doubled up' with an experienced inspector when they first join. Thus the new employee develops a good early understanding of the problems faced in recognising defects, and how to categorise and prioritise them for repair.

Safety inspections comprise only an element of inspectors' overall duties, broadly accounting for 20 - 35% of their total available time. The estimated cost of inspector staffing resources devoted to safety inspections across Scotland is currently of the order of £850,000 a year. This cost includes inspection, recording and repairs instruction processes.

The inspection process should be managed as a dedicated task to cover defined planned routes at a predetermined inspection frequency. In this way, all areas can be covered in a systematic manner relative to the perceived risk of defects. The Commission found, however, that only six councils operate a dedicated planned route system. Of the remaining six councils which undertake safety inspections on an ad hoc basis, as part of inspectors' general duties, four advised that they were developing a dedicated approach.

The potential risk attaching to safety defects arising reflects the type of road and the level of traffic and use. Councils should therefore target and allocate their inspection resources with regard to the associated risk. Table 4 identifies the main risk areas.

Table 4. Safety Defect Key Risk Areas

Carriageways	Footways / Footpaths
Bus routes	Main shopping areas
Commuter routes	Pedestrianised areas
High speed roads	Routes to bus and railway stations
Junctions	Routes to churches
Main commercial areas	Routes to schools
Routes outside design life	Sport centres
Routes subject to heavy loading	Town centres
Schools	
Shopping areas	
Strategic routes	
Town centres	

All safety inspections should be conducted in a safe and effective manner. But in most councils, for economic reasons, inspectors often conduct driven inspections alone, an approach which can undermine the effectiveness and safety of driven inspections. For routes with high traffic volumes, certain councils require driven inspections to be undertaken by a driver accompanied by an inspector. The driver should only drive and make no attempt to look for safety defects.

Clearly, inspection routes can be covered more quickly by vehicle than on foot. Most roads, in the main, are covered only by driven inspection. About 30% of all roads are covered by walked and driven inspections. A targeted minority of roads are walked only, mainly because a driven inspection would not be an effective means of identifying defects, for example, in areas where there is extensive on-street parking. Footways are walked where there is high pedestrian usage, for example, in town centre areas. Conversely, rural footways are generally covered by driven inspections. More frequent inspections are targeted to higher risk areas. (Table 5).

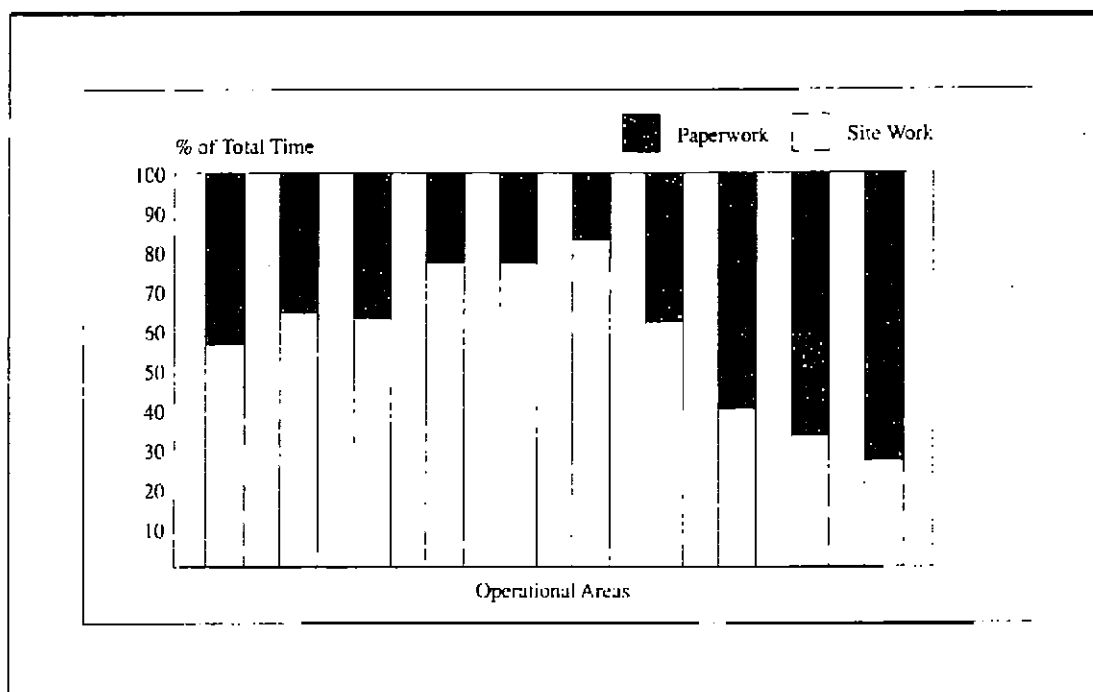
Table 5. Safety Inspections – Frequency and Method

	Frequency			Principal Method		
	More than Monthly	Monthly	Less than Monthly	Driven	Walked/ Driven	Walked
ROADS	%	%	%	%	%	%
Strategic routes	28	36	36	64	36	—
Main distributors	—	45	55	64	27	9
Secondary distributors	—	27	73	64	27	9
Local roads	—	—	100	64	27	9
Local access roads	—	—	100	64	27	9
FOOTWAYS						
Main shopping areas	10	70	20	—	9	91
Busy urban areas	10	30	60	—	55	45
Other urban/busy rural areas	—	10	90	9	64	27
Little used rural	—	—	100	55	36	9

RECORDING AND MANAGING DEFECTS

A significant amount of time can be taken up recording safety defects found, instructing their repair, and monitoring that the repair is completed within timescale. Exhibit 2 compares, on an estimated basis, analysis of total inspector time taken up with safety inspections across ten of Strathclyde's operational areas. Inspection route lengths, the travelling logistics involved, and the number of defects found clearly impact on the time spent on site inspections. However, the arrangements for recording and administering defects found should be streamlined and conducted in an efficient and effective manner. The Commission's findings suggest that this is not always the case.

Exhibit 2. Analysis of Total Time Spent on Safety Inspections



Most councils use manual records to note safety defects identified. Three out of four councils use audio tape recorders to log the relevant defect details at the location, the details later being transferred to a manually maintained database. To improve operational and administration efficiency, four councils indicated that they are piloting the use of hand held computerised notebooks to manage and record safety inspection data. This information is downloaded to PCs obviating the need for any manual recording. Early trials suggest that inspectors favour the use of electronic notepads. Box 2 provides background to these IT developments.

Box 2. Examples of IT Developments

Lothian is undertaking a digital mapping pilot exercise. Using this system, inspectors are able to use computer pens linked to portable laptops to mark identified safety defects for repair. Potentially, the Geographic Interface System (GIS) could be developed to provide open management systems covering, for example, accident data collection, street inventories, and be used to generate works orders, monitor performance, and hold repair cost data.

The council also plans to establish an integrated repairs management and maintenance system, linked to its CLARENCE system, which will include safety defect inspection findings.

Grampian is piloting the use of grid pad devices as part of its GIS. The council is exploring computer digital mapping for referencing work done, managing accident statistics, and managing safety defects identified. The system will allow flexible interrogations by location and area.

Tayside and *Strathclyde* are piloting the use of computerised notebooks for administering and managing safety defects. The notebook holds details of scheduled inspection routes to be undertaken, and provides on-screen boxes for data entry. After entering the inspection findings, the notebook details are downloaded to a host PC which can generate the works repair orders, or defect notices to external organisations. The suite of enquiry reports generally available can include:

- analysis of defects found;
- repairs instructed;
- repair priority and target repair completion date;
- time taken to effect repair;
- a list of repairs not completed within target timescale; and
- a list of any safety defects from the previous inspection which have not been repaired by the next due inspection.

A valuable feature of the computerised system is the electronic access to a complete street history and archive of data relevant to street inspections embracing a history of inspection, defect details, and of works proposed, requisitioned and completed.

The Commission found various deficiencies in the procedures adopted by authorities for the recording and monitoring of defects. For example:

- Most councils do not use standard documentation.
- Some councils do not have a comprehensive record of all defects identified.
- In one council, no summary records were maintained. Defects found were recorded only in inspectors' general note books.

The importance of maintaining structured standardised systems for recording the dates of safety inspections undertaken, the safety defects found, and the repair completion date cannot be over-emphasised. Effective comprehensive record keeping is essential if the authority is to provide an informed and competent response to safety defect claims.

Safety defect databases need not be complex. A computerised spreadsheet application is likely to be sufficient in councils where the incidence of safety defects is low. All safety defect inspection databases should contain, as a minimum, the information shown in Box 3.

Box 3. Safety Defect Information Database - Key Information Requirements

- Inspector's name.
- Area inspected e.g. street reference/location.
- Previous inspection date.
- Date of scheduled inspection and date of actual inspection.
- Defects found (yes/no).
- Defect location referenced to nearest fixed point e.g. a lamp standard number, shop name or house number.
- Description of defect to be repaired e.g. reset displaced kerb.
- Client job repairs instruction number.
- Repairs priority e.g. emergency/other.
- Target repair date.
- Method of payment e.g. schedule of rates - emergency rate.
- Defect repair completion date.

In all cases a clear audit trail should exist from the point of inspection through to the confirmation of instructed repairs being completed within target timescale. Good record keeping is essential to enable authorities to examine and, where justified, repudiate public liability claims. Moreover, in the event of any legal action, a council will require to demonstrate that it has acted reasonably having regard to its safety inspection processes and all the information available to it.

REPAIRING SAFETY DEFECTS

Through a combination of managed inspections and information received from the public, councils estimate that they identify some 150,000 road safety defects a year. Strathclyde accounts for almost half of that total, followed by Lothian(20%), Grampian(12%), Tayside(11%), and Fife(3%). Together, the other seven roads authorities account for 7% of all defects. Councils generally advised that, over the last five years, the number of defects arising had remained broadly the same. Exceptions were Lothian - an identified increasing trend, and Tayside - a reducing trend.

The decision as to what constitutes a safety defect rests with the local roads inspector. The extent to which a defect presents a potential danger to road users, for example, its location, size, and the volume of traffic, will determine its priority for repair.

Only a few Councils have set safety defect repair intervention levels. Grampian has set guidelines for assessing defects for priority repair. Carriageway defects greater than 50mm, and footway defects greater than 20mm, are considered 'serious' and instructed for emergency repair within 24 hours. The council adopts this approach because it considers that guidelines

- are helpful;
- standardise the approach to be followed by all inspectors;
- harmonise safety defect inspection and repair standards; and
- prevent too many minimal defects being listed for emergency repair.

In most other councils, inspectors are allowed to rely on their own experience and exercise personal judgement. This approach is likely to result in inconsistent treatment and prioritisation of defect repairs, with differing cost implications to the council.

The approach adopted by councils for the repair of safety defects varies. Some councils always effect a temporary repair in the first instance, a permanent repair being carried out at a later stage as part of the council's routine planned maintenance programme. Other councils render a permanent repair in the first instance, when traffic circumstances allow. The practitioner arguments for and against making permanent repairs are well rehearsed. Box 4 highlights the issues involved.

Box 4. Making Defects Safe - Temporary or Permanent Repair?

- Permanent reinstatements require hot materials, and specialist plant and equipment e.g. rollers.
- Thus it is expensive to permanently reinstate on an ad hoc basis.
- To be cost-effective, there requires to be economies of scale before bringing in the surfacing squad, and a sufficient volume of work for all the hot material to be used.
- There may be no opportunity to effect a permanent reinstatement in the first instance. It may not be safe or practical e.g. it may cause severe disruption to vehicular traffic activity.
- It may be more cost effective to defer the permanent reinstatement of temporary repairs to the council's planned maintenance programme.
- But unless the temporary repair is made permanent within a reasonable period, a cycle of repairs may ensue, at increased cost to the council and inconvenience to the travelling public.
- Two rural councils use a very cost effective 'instant road repair' substance. The material is 'tapped' into place, effecting what was described as a 'permanent' temporary repair.

The safety risk factor determines the urgency of the council's response. Across all councils, emergency action is instructed immediately by the client roads department to remove danger to life and limb, and prevent serious damage to property. For other than emergency situations, council repair target times vary significantly. These generally fall into three broad categories – very urgent, urgent, and routine repairs. Routine repairs are deferred to the council's maintenance programme. Council standards vary and many do not always achieve their own prescribed target times. Table 6 compares the target and actual repair times reported by councils for safety defects.

Table 6. Repair Target Times and Assessed Actual Time Taken

Safety Defect Repair Category	Target	Actual
Very Urgent (Priority 1) (excludes emergency scenario which would be immediate).		
Borders	less than 24 hours	<i>less than 48 hours</i>
Fife	less than 48 hours	less than 48 hours
Grampian	less than 24 hours	less than 24 hours
Highland	less than 24 hours	less than 24 hours
Lothian	less than 24 hours	<i>less than 72 hours</i>
Strathclyde	less than 24 hours	less than 24 hours
Tayside	less than 24 hours	<i>less than 48 hours</i>
Urgent (Priority 2)		
Fife	within 7 days	<i>within two weeks</i>
Grampian	within 2 days	within 2 days
Highland	within 3 days	within 3 days
Strathclyde	within 2 days	<i>within 3 days</i>
Tayside	within 7 days	within 7 days

Safety Defect Repair Categories

Priority 1 High risk of danger to the public.

Priority 2 Less imminent danger to the public.

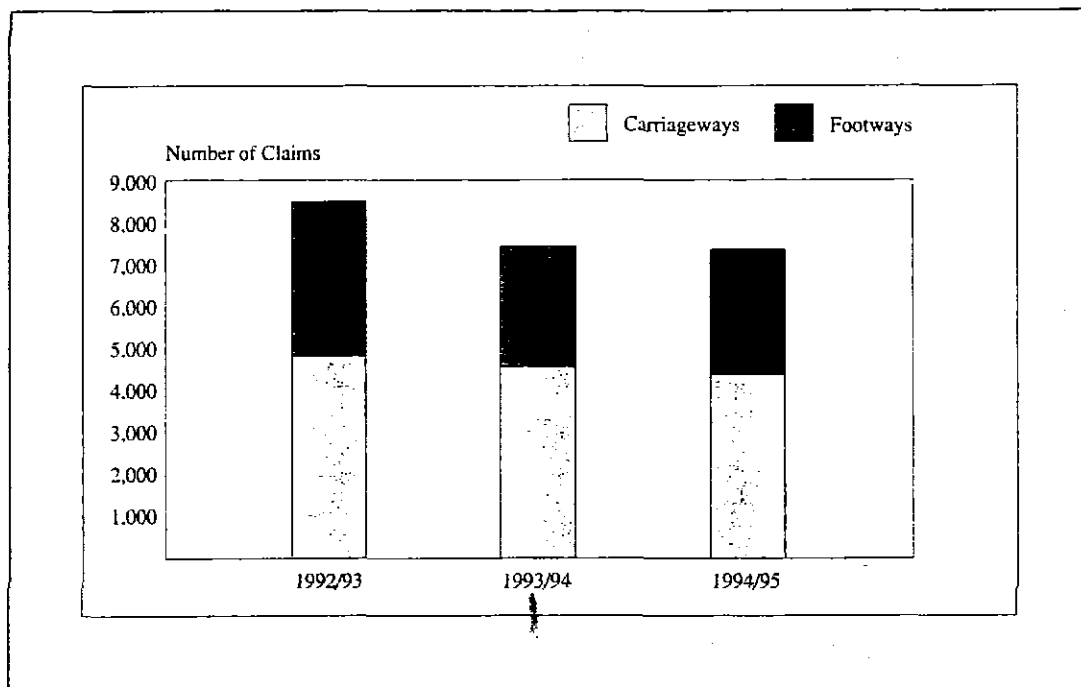
Most councils do not formally monitor contractor repair completion times. Generally, inspectors rely on their local knowledge and awareness of their own patch to monitor whether the work is being completed within reasonable timescale. As part of their contract monitoring procedures, client supervisors meet with their roads contractors to discuss any problems with workload, complaints from the public, and general operational matters. Delays in making good safety defects should be covered at such meetings.

3. SAFETY DEFECT PUBLIC LIABILITY CLAIMS

INCIDENCE AND TREND

Over the last three years, over 23,000 people have made a claim against their local roads authority for loss, damage and personal injury sustained in a tripping or pot-hole accident. Exhibit 3 analyses these claims, separately for carriageways and footways.

Exhibit 3. Safety Defect Claims – Years 1992/93 to 1994/95



In Strathclyde, which accounts for more than 60% of all claims received, the number of claims fell from an exceptionally high 6,000 to 4,200 between the years 1992/93 and 1993/94. Other mainland councils' claims experience ranges from 50 to 900 claims in any one incident year. (Table 7). In 1994/95, the three Islands Councils received 20 claims in total.

Table 7. Safety Defect Claims – Comparative Trends

Mainland Councils	Total Number of Claims			Claims per 1,000 population
	1992/93	1993/94	1994/95	1994/95
Strathclyde	6,061	4,237	4,349	1.90
Lothian	646	706	888	1.17
Grampian	396	810	617	1.16
Fife	400	407	397	1.15
Tayside	413	524	344	0.87
Central	324	338	314	1.15
Highland	159	137	147	0.71
Dumfries and Galloway	75	89	118	0.80
Borders	54	73	54	0.51
Total Claims	8,528	7,321	7,228	1.43

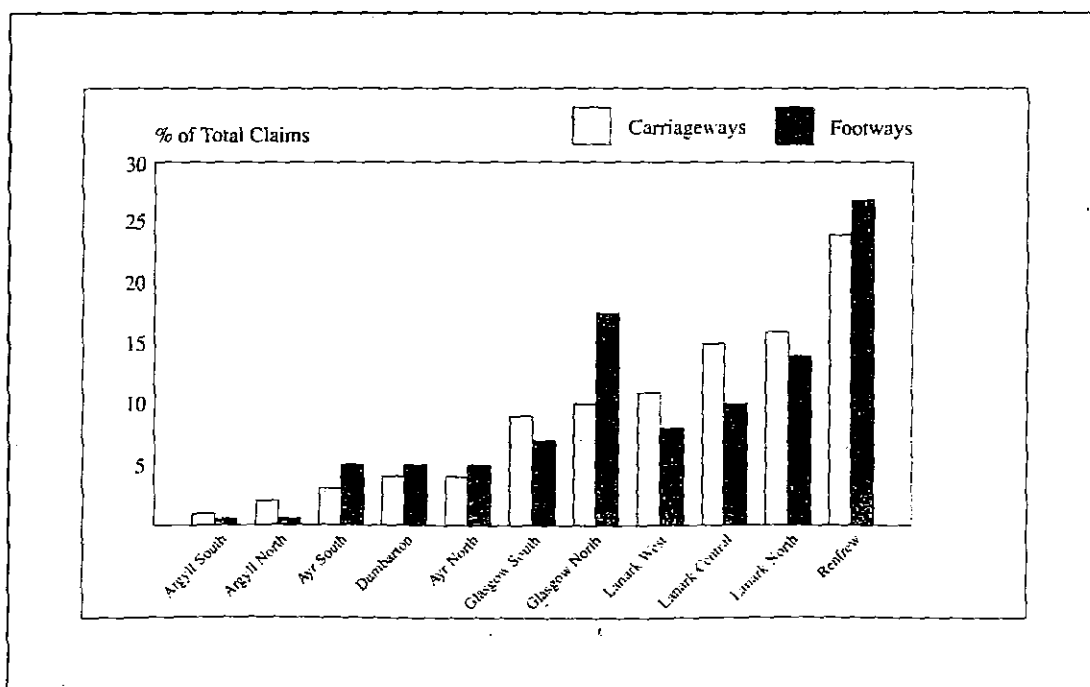
The Commission identified various factors which influence the number of claims received. (Box 5).

Box 5. Factors which Influence the Incidence of Safety Defect Claims

- Number of defects arising Increasing numbers of safety defects may lead to a greater incidence of justifiable claims.
- Urban/rural environment The volume of claims is higher in urban areas. In Lothian, 80% of its claims arise within its city limits.
- Public awareness of their rights Through customer charters, media publicity, and support from Citizens' Advice, legal protection agencies and other bodies, people are more likely to pursue financial redress against the liable third party.
- Council inspection and repair systems Effective inspection systems followed up by timely repair of the defect reduces the scope for valid claims.
- Condition of the road and pavement fabric Reduced incidence will flow from increased investment to eliminate bad/poor roads and footways.
- Climate and weather A higher proportion of claims relate to the winter months due to less light, and road surface deterioration caused by frost and ice.

The number of claims received can vary significantly by operational area. (Exhibit 4). In Strathclyde, Renfrew is shown to have the highest incidence of both carriageway and footway claims. Councils will wish to undertake their own area analysis to identify those areas having a higher incidence of claims. Armed with this information, a council can focus its problem area(s). The key causal factors should be investigated and, where reasonable and practicable, the council should take steps to minimise the risk of accidents and consequential claims.

Exhibit 4. Analysis of Claims by Operational Area



CLAIMS ADMINISTRATION

On receipt, claims are generally routed through the area supervisory engineer to the appropriate inspector responsible for the area where the incident was stated to have occurred. A significant amount of an inspector's time may be taken up investigating a claim against the council. Many claims invariably involve the inspector visiting the incident location, taking photographs, researching safety inspection records, confirming repair dates, completing a pro-forma incident report, and bringing together the case papers. The quality of records and the accuracy of documentation are vital if claims are to be either repudiated, or settled quickly and equitably.

Several councils employ loss adjusters to advise on whether the council is liable for any damages sustained. That judgement is based on the facts of the case. Relevant information will include the inspector's incident report, the street inspection record, the repair instruction sheet (where appropriate), and all correspondence relating to the incident.

Each claim is handled on its own merits. While guidelines are available and precedents are set, each claim should be treated as unique. Assessment of potential liability is determined by four key tests.

- Does the council owe a duty to the claimant?
- Has the council breached that duty?
- Has the claimant suffered a loss?
- Is the loss suffered due to a breach of duty?

Box 6 sets out the arguments which may determine whether a council may be found liable for damage or loss sustained as a result of a road pot-hole.

Box 6. Determining Liability

Councils may be found liable where it is established that:

- the road was dangerous in the ordinary course of human affairs and danger could reasonably have been anticipated by the council;
- the dangerous condition was caused by a failure to maintain;
- the damage/injury resulted from the authority's failure to maintain.

For the purposes of assessing the merits of a defence, the court is to take account of:

- the character of the road, and the traffic which might reasonably be expected to use it;
- the standard of maintenance appropriate for a road of that character and used by such traffic;
- the state of repair in which a reasonable person would have expected to find the road;
- whether the authority knew, or could reasonably have been expected to know, that the condition of the road was likely to cause danger to road users;
- whether the inspection intervals were reasonable;
- whether it can be shown that the street was inspected before the accident and no defect was found, in which case the authority may have a good defence; and
- whether the roads authority could reasonably have been expected to repair that part of the road before the cause of action arose. If not, what warning notices of its condition had been displayed.

Councils should adopt a fair handed approach to claims. Valid claims should be treated equitably and unjustified claims discouraged. There are certain 'golden rules' that, if broken, may lead to an increase in claims.

- Do not raise claimant expectation of financial compensation.
- Do not make ex-gratia payments.
- If a claim is to be repudiated, do so quickly.

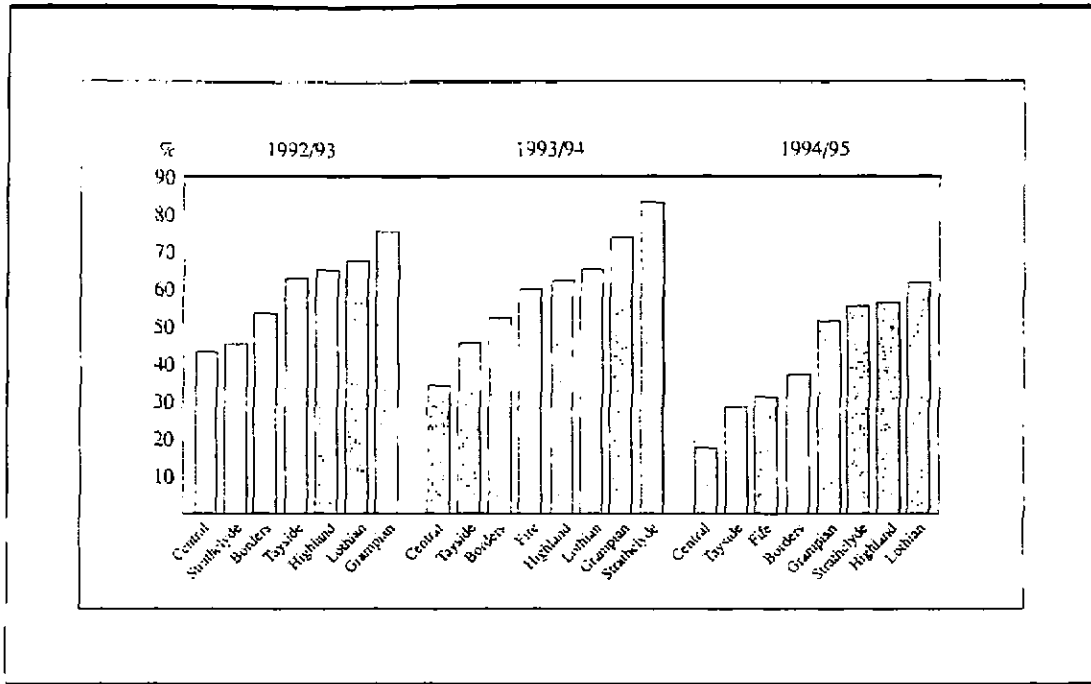
As a matter of good management practice, claims administrators should always be alert to the possible submission of overstated or fictitious claims. Whilst practitioners consider the incidence of attempted fraud to be low, there are certain measures which councils should adopt to minimise potential fraud. (Box 7).

Box 7. Measures to be Taken to Prevent Potential Fraud

- Check and identify claims previously, or recently, submitted from same or similar names and addresses; persistent claimants; and closely examine any apparent networking of claim submissions between local residents.
- Conduct a more detailed investigation of pot-hole incidents involving damage to exhaust, suspension and braking systems, concerning the age and condition of the vehicle.
- Use photographic evidence to substantiate/refute claims.
- Request medical reports to support personal injury claims.
- Consider the use of private detection agencies, in exceptional circumstances.

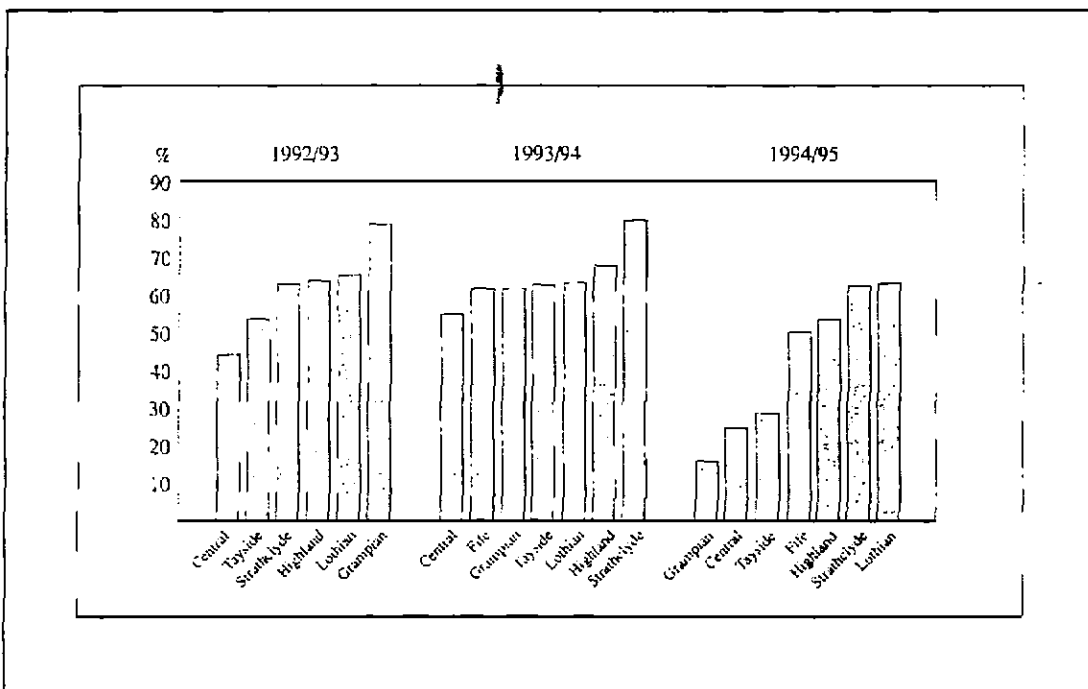
Councils will justifiably repudiate a defect claim where it is found to be incompetent or where it concerns an area for which the council does not have maintenance responsibility. But claims involving personal injury are complex and detailed, and the outcome may not be decided for a number of years. A full picture on total repudiations for a particular incident year only emerges after all claims for that year have been closed. The Commission found that council repudiation rates vary at the extreme by a factor of two to one. (Exhibits 5 and 6).

Exhibit 5. Council Repudiation Rates - Carriageways



Note: Repudiation rates for all years, as at October 1995.

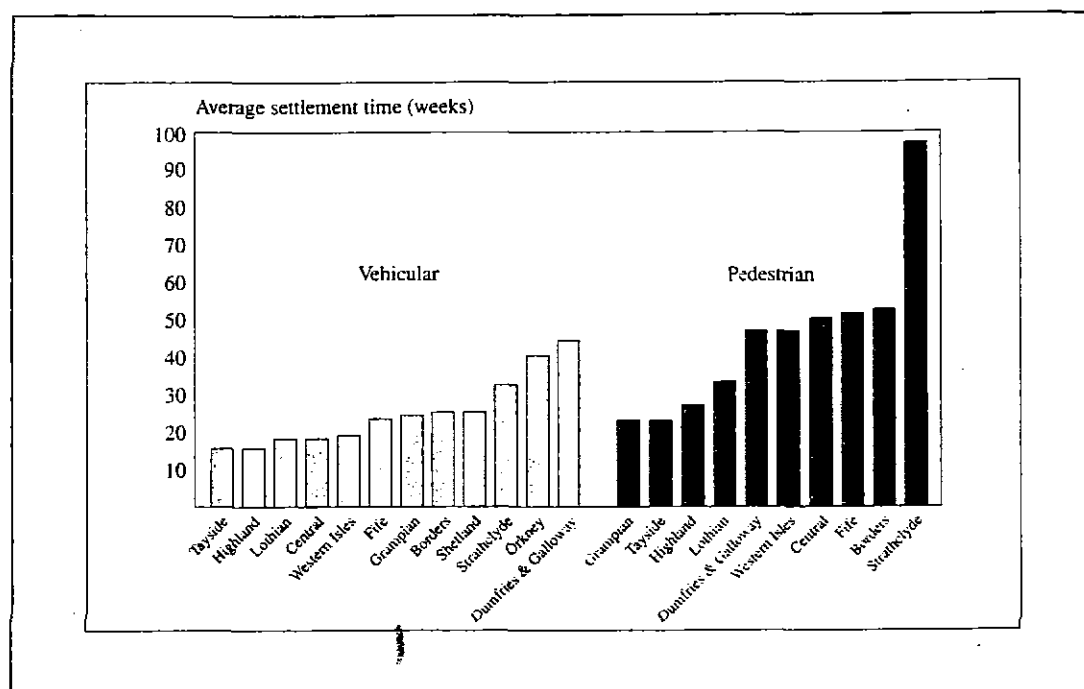
Exhibit 6. Council Repudiation Rates - Footways



Note: Repudiation rates for all years, as at October 1995.

As part of its Citizens' Charter statutory responsibilities, the Commission publishes annually performance information on Scottish councils. This includes an indicator on the average time taken by councils to settle claims. Council performance for the year 1994/95 is shown in Exhibit 7. Vehicular claims are found to be settled more quickly than pedestrian injury claims. This is not surprising. Injury claims involve greater scrutiny and more detailed assessment including, in serious cases, councils calling for independent medical reports. Settlement timescales are not, however, entirely within council control. Settlement may be delayed by the claimant who is free to contest any proposed compensation payment.

Exhibit 7. Average Time Taken by Councils to Settle Claims



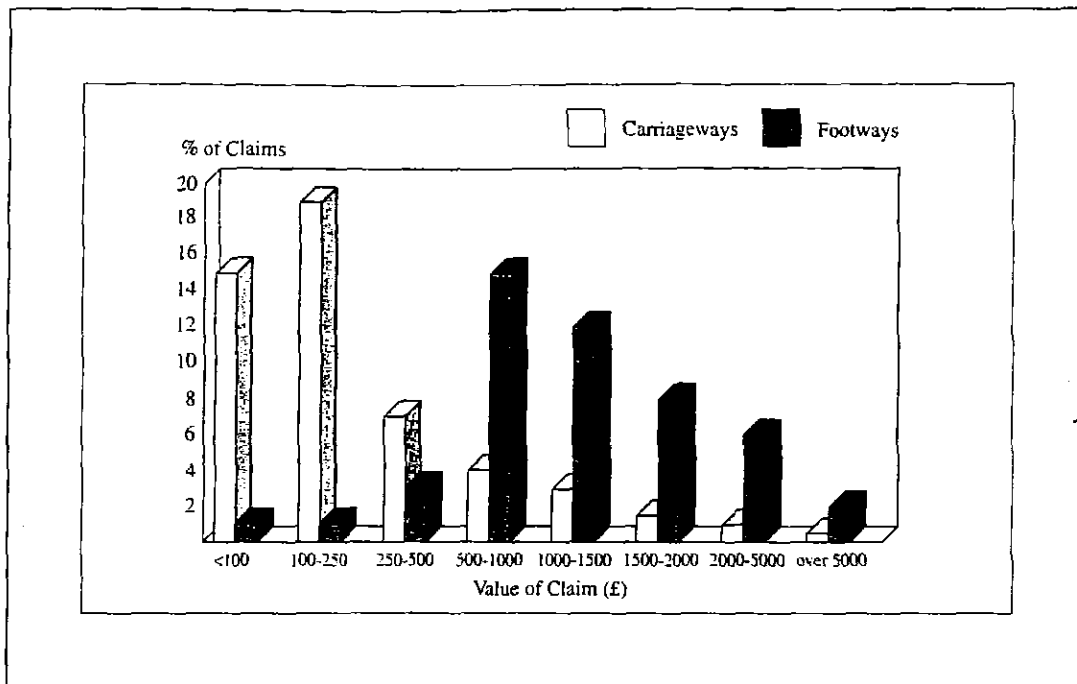
Very few claimants take legal action to pursue their claim. In Strathclyde, over the last three years, only 3% of claims received have been pursued by court action, the vast majority of these being raised in the Sheriff Court as a 'small claim'.

In deciding whether to settle a claim, the economics of the situation must be considered. Litigation costs are high and a claim which could go either way may be settled out of court to avoid costs escalating to an unrealistic level. Such action should not, however, be taken without due care and consideration.

COST OF CLAIM SETTLEMENTS

The Commission analysed the cost of claim settlements, separately for carriageways and footways. Over 1,000 claims were chosen as the sample frame. The results are shown in Exhibit 8.

Exhibit 8. Range in the Cost of Claims Settled



Carriageway defect settlements are found to be relatively low value. The vast majority (about 95%) relate to wheel and tyre damage. The remainder concern damage to exhausts, suspensions and braking systems. Claims relating to tripping incidents mostly involve personal injury and generally result in much larger compensation payments. Exceptionally, significant value claims do arise. In the last three years, Scottish local roads authorities have received, in total, twelve claims in excess of £50,000, including five individual claims over £200,000.

On receipt, councils or their insurers set reserve settlement values for all potentially valid claims received. In this way, councils determine their total potential claims liability for each incident year. The total reserve carried at any point in time represents the potential settlement cost of all outstanding claims. As at October 1995, the total estimated cost of outstanding safety defect claim settlements relating to incidents during the years 1992/93 to 1994/95 amounted to some £7 million. This is in addition to the £3 million already settled, potentially bringing the total cost for these three years to £10 million.

4. MANAGING RISK

GOOD MANAGEMENT PRACTICE

Traditionally, councils have paid substantial premiums to insurance companies to handle their public liability claims and provide cover for unexpected losses. But in the last few years, a number of councils have adopted a self-insurance strategy for low value claims, insuring externally catastrophic risks to protect the council against significant financial loss. Generally, an excess of at least £100,000 applies to individual public liability claims. Therefore, councils bear the direct cost of the vast majority of safety defect settlements.

Councils also bear the cost of claims management. These are administered either in-house or by external claims handlers. Features of sound administration arrangements include clear lines of communication and responsibilities between the council's risk management section, the roads department, and the council's insurer, or external claims handler. Claims investigation work should not be duplicated, for example between roads inspectors and claims loss adjusters, at increased cost to the council. Councils should regularly and systematically audit claim settlements to avoid exposing themselves to overpayment and poor service standards. Council procedures should promptly identify claims which are valid, and ensure that progress to settlement follows as soon as possible. Council experience strongly suggests that most claimants' expectations increase the longer the claim process drags on.

Good management of claims which are self-insured relies very heavily on the efficient use of well trained and qualified staff, the effective use of IT, and the absolute integrity of the database. Conversely, weak management arrangements will lead to loss of control over claims and lead to increased costs. Councils highlighted many potential benefits from well-managed self-insured risks and improved claims management. (Box 8).

Insurance, however, whether provided internally or purchased externally, is only a risk financing device, achieved through payment of the insurance premium. Ultimate ownership of the risks insured remains with the operational department. Insurance is not, and should not be, a substitute for effective risk management.

Risk management embraces a planned and systematic approach to the identification, evaluation and control of risk. The purpose is to reduce the total cost of risk, that is:

- the cost of insurance premiums;
- self-insured costs;
- down time and administration time associated with all losses, whether they be insured or not;
- loss of reputation; and
- opportunity cost.

Successful achievement will provide the council with improved value for money.

Box 8. Potential Benefits from Well-Managed Risks and Improved Claims Management

FINANCIAL BENEFITS

- Long term savings through reduced insurance premiums, or minimised premium increases.
- Investment income generated on premiums retained.
- Greater incentive to reduce cost of claims since met direct from council resources.
- More departmental awareness of the number and cost of claims.
- Avoidance of insurer overheads.
- No 'pound-swapping' on low value claim payments.
- Possible cost reductions in claims processing costs.
- Reduced administration cost within the insurance section and service departments due to streamlined reporting procedures.
- Possible lower legal fees.

NON-FINANCIAL BENEFITS

- More control over claims.
- Control over claims assessment.
- Speedier claims processing and response to claimants.
- Quicker claim settlements.
- Improved customer satisfaction from being seen to act quickly.
- Retention of management control over claim progress.
- Immediate access to up to date loss statistics – important from loss control perspective.
- Control of claims database.
- Improved database information for risk management.
- Identification of trends in causes of claims.

The Commission wishes to assist the managers of the new councils to develop an effective risk strategy for the management of safety defects. The following action points are offered as a checklist to assist managers to take steps to improve council performance, thereby improving public safety and minimising the total cost of safety defect public liability claims falling on their council. Included in the Appendix to this Paper is a council case study. It provides background to the council's development of a standardised safety defects inspection process and highlights the potential benefits from its adoption.

A GOOD PRACTICE CHECKLIST

Identify Risks

- ▶ Compile a register of carriageways and footways/footpaths for which the new council has maintenance responsibility.
- ▶ Target safety inspections to specific areas with greatest traffic and pedestrian use.
- ▶ Develop good communication systems to encourage road users to report defects to the council.
- ▶ Take account of road service complaints received.
- ▶ Analyse why the council is losing claims (e.g. failure to inspect as planned, delay in instructing the repair to be carried out, or delay in undertaking the repair).
- ▶ Identify the major causes which have resulted in successful claims. This is a key requirement in order effectively to tackle areas of greatest potential risk.
- ▶ Inform service departments of claims outcomes. This information is vital in identifying areas where revised risk management strategies may be required.

Minimise Risks

- ▶ Adopt a formal safety inspection policy which demonstrates that the council is pro-actively seeking to detect defects and acting to repair them with appropriate speed.
- ▶ Ensure that the adopted safety inspection policy is consistently applied across the council.
- ▶ Adopt consistent and specified defect repair intervention levels.
- ▶ Set reasonable target repair times and ensure that these are met.
- ▶ Target inspection resources to areas of greatest risk.
- ▶ Provide training and issue guidelines to all inspectors on the recording and repairing of safety defects identified.
- ▶ Where appropriate, take measurements and photographs of the safety defect as soon as the claim is received.
- ▶ Take action on lessons learned from successful claims against the council.

Develop a Good Management Information System

- ▶ Optimise the use of information technology for recording defects and for instructing and monitoring their repair.
- ▶ Ensure that the records of safety inspections undertaken are retained for at least five years. (Prescription period for litigation action for non-injury claims in Scotland is five years after the event; for injury claims the prescription period is three years from date of knowledge of injury).
- ▶ Ensure that the council's information is complete and accurate. Any defective or missing documentation will seriously undermine the council's ability to repudiate the claim.
- ▶ Establish an effective IT system for managing claims information. Box 9 highlights the minimum information.
- ▶ Use the database to determine claim trends over a medium to long period.

Box 9. A Risk Management Database - Critical Data Fields

Organisation code	<input type="text"/>	e.g. roads division
Incident date	<input type="text"/>	
Date reported	<input type="text"/>	
Incident location	<input type="text"/>	
Incident type	<input type="text"/>	e.g. carriageway, footway, footpath
Claimant details	<input type="text"/>	e.g. name and address
Occurrence	<input type="text"/>	e.g. financial/injury/property/vehicle
Potential settlement	<input type="text"/>	e.g. minor (£500), moderate (£2,500), severe (over £2,500)
Financial	<input type="text"/>	outstanding reserve
	<input type="text"/>	amount paid
	<input type="text"/>	other costs e.g. court fees
Date settled/repudiated	<input type="text"/>	

Adopt Sound Financial Management Procedures

- ▶ Manage low value claims in-house.
- ▶ Manage the cost of claims on an incident year basis.
- ▶ Conduct regular and systematic audits of case files.
- ▶ Make appropriate budget provision for safety defect claims.
- ▶ Monitor the number of claims received, repudiated and settled, and provide a realistic level of reserve to meet outstanding claims.
- ▶ Recharge service departments with the actual cost of claims, or 'quasi premiums' which reflect their actual claims experience.

Administer Claims Efficiently and Effectively

- ▶ Record the date of the receipt of the claim/correspondence.
- ▶ Where an immediate response cannot be given, acknowledge receipt of the claim within 'x' working days, advising that the matter is being investigated.
- ▶ Pass copies of all relevant correspondence to insurers or claims handlers without delay.
- ▶ Quickly identify claims which are valid, and progress to settlement as soon as possible.
- ▶ Monitor progress of individual claims.
- ▶ Record the date of settlement/denial of liability on advice, where appropriate, from the loss adjusters/claims handlers/insurer.
- ▶ Operate good file management on all active claims e.g. diary notes for follow up.

A COUNCIL CASE STUDY

As part of its total quality management initiative, the council invited a team of roads inspectors to produce a quality improvement plan for its area safety defect inspection process. The team reviewed the council's practices against the inspection intervals recommended in the Local Authority Association's Code of Good Practice for Highway Maintenance.

There had been no formalised inspection procedures in operation across the authority, and this had resulted in

- No routine system of safety inspections, although inspections were carried out.
- Different standards of network condition from area to area.
- Deterioration of road conditions.
- Increasing maintenance costs.
- Increasing liability claims.
- Difficulty in refuting liability claims.
- Loss of image for the roads department.

In different stages of the exercise the team consulted the department's safety officer, the council's public liability insurers and legal counsel. Following their review, the team was able to recommend a standard system of inspection across operational areas of the authority, a safe method of carrying out inspections, and a formal method for recording the results of inspections. The team also considered the manpower implications of the proposed inspection system, and appraised likely benefits and drawbacks.

Following a six month trial period across its operational areas it was concluded that the proposed arrangements met the required standards given in the Code of Practice and had generated considerable success in the following areas.

- The development of a standardised system.
- Improvements in the three main elements of the inspection process, i.e. inspection, recording and repair.
- A more robust record of inspections and defects found, which should result in a lower number of successful claims against the council.
- A reduced number of roads complaints which should improve the image of the department.
- The reduced number of defects found would improve pedestrian and vehicular safety and lead to lower public liability costs.

GLOSSARY OF TERMS

Carriageways	That part of the road reserved for vehicular use.
Footways	That part of a road adjoining a carriageway, reserved for pedestrian use.
Footpaths	A road reserved exclusively for pedestrian use, remote from a carriageway.
Cycleways	A road reserved exclusively for cyclists.
Detailed inspections	These inspections are designed primarily to establish the programme of routine maintenance tasks not requiring urgent execution. Condition surveys may provide contributory information to and reduce the scope of detailed inspections which would otherwise be required.
Structural condition survey	The method whereby the structural condition of the road network is determined. From such work, the need for expenditure on structural maintenance can be assessed on a priority basis.
Marshall Report	The Marshall Report (1970) laid the foundation stones for modern road standards. The Highway Maintenance Code of Good Practice (first edition 1983) brought these standards up to date at that time.

Published by
The Accounts Commission
18 George Street
Edinburgh EH2 2QU
Telephone 0131 477 1234

Copies of this report
may be obtained from
The Accounts Commission
Price £6.00
ISBN 0 906206 32 4