

# Strategic Review – Highways January 2016



<b>Project Leader:</b>	Dilwyn Williams
<b>Project Manager:</b>	Dewi W. Jones

## Strategic Review of the Highways Service - January 2016 Report

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## Executive Summary

### Purpose of the Review

- The purpose of this review is to assess the effectiveness and efficiency of the road maintenance service provided by the Council and establish whether or not we do the right things and receive the best value for money for that work.
- The review will examine the Road Maintenance service focusing specifically on the Road Asset Maintenance and Winter Maintenance fields over the past few years.
- We will assess whether the provision is suitable for the future and offer recommendations and options to meet the needs of Gwynedd residents and to make the most of the funding and resources available for the future.

### Research methods/How we undertook the review

- In order to enable us to assess the effectiveness and efficiency of the service, we compared information with other similar Councils. The comparison has been made with the family of 9 Rural Councils in Wales which includes the Isle of Anglesey, Conwy, Denbighshire, Powys, Ceredigion, Pembrokeshire, Carmarthenshire, Monmouthshire as well as Gwynedd.
- Budgetary information from forms that are completed and submitted by each Council annually to the Welsh Government were used in order to compare the Road Maintenance budget (Road Structures Budget and General Road Maintenance) and the Winter Road Maintenance budget. This information has enabled us to examine the budget during the period from 2008/09 to 2015/16, along with the level of our budget compared with the median level and lowest quartile for the family's Councils.
- National statistics and specific information provided by individual Councils and the North Wales Trunk Road Agency were used to compare road standards, inspection arrangements for bridges and structures, insurance claims, staffing levels and rates for the works.
- In addition, residents, staff and stakeholders (such as Town and Community Councils and the Emergency Services) were engaged with as part of the review in order to receive feedback regarding satisfaction levels on different aspects of the road maintenance service provided by the Council.

### Main Conclusions/Findings

- In 2015/16, Gwynedd's Highway Maintenance Budget is £9,198,000.
  - The Road Maintenance budget is £8,165,000 which equates to a budget of £3,009 per km (2nd highest in the family behind Ceredigion).
  - The Winter Road Maintenance is £1,033,000 which equates to a budget of £381 per km (3rd highest in the family behind Denbighshire and Conwy).

#### *Are we Effective?*

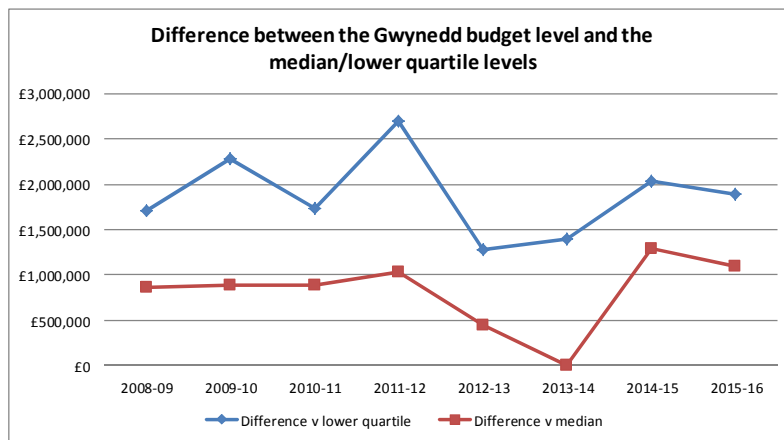
- Road standards in Gwynedd are high with the average % of roads that fail among the lowest within the family from 2011/12 to 2014/15.

	2011-12	2012-13	2013-14	2014-15
<b>Gwynedd</b>	6.4	7.7	9.4	9.2
<b>Mon</b>	11.5	11.1	11.7	10.9
<b>Conwy</b>	9.9	9.6	10.7	10.7
<b>Denbighshire</b>	11.2	10	9.6	8.7
<b>Powys</b>	19.6	20.1	20.4	19.7
<b>Ceredigion</b>	15.6	15.2	15.6	15.0
<b>Pembrokeshire</b>	14.2	12.6	12	9.1
<b>Carmarthenshire</b>	15.4	17.2	15.7	11.9
<b>Monmouthshire</b>	9.4	7.8	9.8	9.7

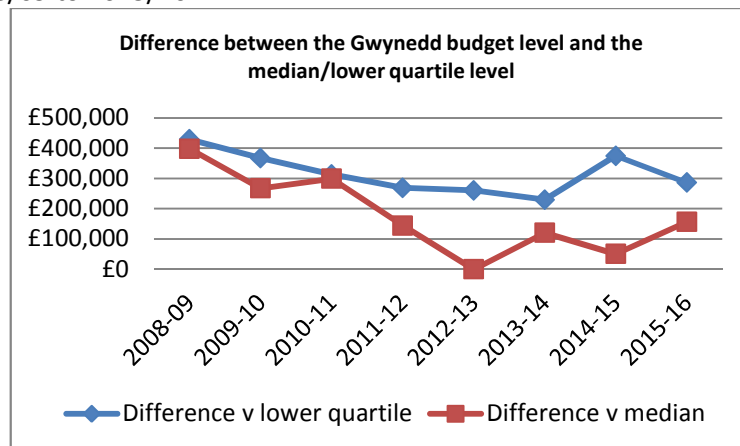
- There is no existing arrangement to inspect and assess bridges, retaining walls and culverts and the maintenance work tends to be responsive in nature. This means that we do not comply with the existing guidelines and code of practice in the field but it is noted that the situation is comparable with the situation within a number of Councils that provided us with information.
- Responses to opinion surveys and feedback from residents and stakeholders note that they are satisfied, on the whole, with the standard of the County's roads and with the service provided.
  - 66% of the Ipsos Mori survey respondents note that they are satisfied with the condition of roads in general.
  - 88% of Town/Community Councils note that they are satisfied or very satisfied with the service provided.

*Are we Efficient?*

- The Road Maintenance Budget indicates that the level of our budget is between £1,000 and £1,300,000 higher than the median for the family's councils during the period between 2008/09 to 2015/16.



- There was a reduction in the difference between Gwynedd's Winter Road Maintenance Budget level and the median level and the lowest quartile of the family's Councils during the period between 2008/09 to 2015/16.



- Although it was difficult to compare staffing levels between different Councils due to different work arrangements, the comparison between Councils A and B indicates that our staffing levels are comparable.
- Similarly, rates for works completed by the internal workforce are similar to other authorities in Mid and North Wales.

- Currently, the road maintenance budget is still divided between the 3 areas and is based on the number and length of roads. Therefore, this means that we do not prioritise road maintenance work based on risk or condition on a County level.
- The engagement work with staff notes that there is a possibility that opportunities could be identified to make the service more efficient by reducing internal bureaucracy and empowering staff to act on minor maintenance work without having to receive an instruction to do so.
- There is no evidence to suggest that we would benefit from externalising the highway maintenance provision to an external company.

#### **Recommendations/Suggestions for future implementation**

- The engagement work with staff highlighted a number of matters that are likely to affect the efficiency of the service. As a result, **it is suggested that the service undertakes a review of the service as part of the "Equipping Units to Implement Ffordd Gwynedd" Project** in order to develop a way of working that ensures that they identify the needs of Gwynedd residents and provide a service in the most effective and efficient manner as possible.
- We should maybe establish a central budget to maintain the County's roads rather than divide it between 3 areas based on road length as it is currently. This would enable road maintenance work to be prioritised based on risk or condition of roads across the County.
- It is noted that our inspection and assessment arrangements for bridges, retaining walls and culverts have been neglected over the past few years and that we do not currently meet the guidelines of the existing code of practice. Three options have been proposed as an arrangement to follow in future for these structures:
  1. Continue with the current system of prioritising bridges based on risk. Costs would be likely to continue at approximately the same level as the current level (£246,600 in 2014/15) but it is likely to lead to increased expenditure on responsive work as retaining walls and culverts do not receive attention.
  2. Move to a risk-based procedure for bridges, retaining walls and culverts. This would mean that one-off resources of £104,000 will be required in order to ensure that information about all structures is up-to-date and consequently, it should lead to efficiency savings of £52,600 a year on the current system. **Should this option be selected, one-off resources worth £104,000 will need to be earmarked.**
  3. Move to a procedure of fully complying with the guidelines and code of practice for bridges, retaining walls and culverts. Full compliance with these would mean a cost of approximately £795,000 per annum.
- Continuing with the current system of only prioritising bridges based on risk is not likely to be sustainable either due to the fact that no attention will be given to retaining walls and culverts which is likely to lead to an increase in responsive work costs in maintaining those structures. **As a result, it is suggested that the second option outlined above should be implemented.**
- In order to ensure that we take a whole system approach for all road structures in the County and can prioritise resources and take that into account, **it is suggested that responsibility for maintaining bridges, retaining walls and culverts is transferred to the Highways and Municipal Department.**
- It is noted that the Council has had one of the highest budgets among the "family" of Councils but evidence also shows that the County has benefitted from high standard roads as a result of the investment. The review doesn't include a recommendation to reduce the financial requirement associated with road maintenance but highlights possible options for the future (detailed information on the side effects of the options can be seen on page 41):
  1. **Keeping the budget at the current level** accepting that this would not be sufficient to prevent deterioration in the structural condition of our roads.

2. **Reducing the budget by £500,000** which would mean not resurfacing the County's Unclassified roads and adhering to a programmed deterioration of about 1% annually in the condition of remaining roads.
3. **Reducing the budget by £674,000** which would mean not resurfacing the County's Unclassified and Class C roads and adhering to a programmed deterioration of about 1% annually in the condition of Class A and B Roads.
4. **Reducing the budget by £1,500,000** which would mean not undertaking resurfacing work on County Roads.
5. **Reducing the budget by £2,000,000** which would mean not undertaking resurfacing work on County Roads and reducing the budget for the road dressing programme by £500,000 (namely the process of sealing road surfaces to extend their operational lifespan, and improving the quality of surfaces to prevent skidding and accidents).

# 1. Why do we undertake the review?

## 1.1 Background

- 1.1.1 The purpose of the review is to assess how effective and efficient is the service provided by the Council which involves highway maintenance.
- 1.1.2 In the current financial climate, and the difficult period we are facing, it is essential that we ask whether or not we are doing things right and what is the cost of doing so. In addition, we need to establish if we get value for money on that expenditure and whether or not we can continue on the same trail as we have been on as we move towards the future.
- 1.1.3 The review will assess the most suitable and effective provision to meet the needs of Gwynedd residents and to make the most of the funding and resources available for the field.
- 1.1.4 The need for a strategic review in the Highways service was identified as part of the 2010-13 Financial Strategy.

## 1.2 Project Team of the Review

- 1.2.1 A Project team was established to co-ordinate this review under the leadership of Dilwyn Williams. Members of the Project Board are listed below:

The Review Leader:	Dilwyn Williams
Senior Users:	Aled Davies/Gwyn Morris Jones
Senior Suppliers:	Dafydd Williams/Steffan Jones/John Edwards
Cabinet Member:	Cllr Gareth Roberts/Cllr John Wynn Jones
Finance Officer:	Mari Llwyd Roberts
Project Manager:	Dewi Wyn Jones



## 2. Facts

### What are we talking about when we mention Highways?

#### 2.1 Focus of the review.

- 2.1.1 The Highways service is responsible for providing a number of different services for Gwynedd residents including elements such as road maintenance, winter maintenance and road lighting.
- 2.1.2 The Project Board held a discussion on what is the purpose of the Highways service from the perspective of the people of Gwynedd, and the following was agreed:
- Ability to depend on the ease of travelling from A to B
  - To make roads safe
  - Roads are a tool to promote the economy of Gwynedd, and this needs to be disseminated to the countryside
  - Facilitate access and links
  - Cost effective
  - Roads aesthetics (potholes, smooth roads etc.)
  - Suitable for all users (pedestrians / cyclists etc.)
  - Cleanliness (no leaves, weeds etc.)
- 2.1.3 This report will mainly focus on the following areas:
- Highways Asset Maintenance
  - Winter Maintenance
- 2.1.4 Street lighting has not been included as it is outside the brief that was provided for the review.
- 2.1.5 The report will examine A, B, C and unclassified roads only. This does not include trunk roads as trunk roads are the responsibility of the Welsh Government. The trunk roads in Gwynedd are the A55, A5, A487, A470, A494 and the A458.
- 2.1.6 The table below includes a brief definition, along with road lengths, of different categories within the County.

Class	Definition	Length in Gwynedd (km)
<b>A</b>	Highways used to provide large scale transport within or between areas	330
<b>B</b>	Roads used to link different areas, and to feed traffic between A roads and smaller roads on the network	204
<b>C</b>	classified but unnumbered - smaller roads used to link unclassified roads with A and B roads, which often link estates or villages to the rest of the network	860
<b>Unclassified</b>	Mainly local roads for local traffic. The vast majority (60%) of UK roads fall into this category	1318

- 2.1.7 A visual map showing examples of roads from the above categories in specific areas in Arfon, Dwyfor, Meirionnydd and Bangor is included in Appendix 1.

- 2.1.8 In addition, the Council is responsible for maintaining other structures that are part of the highway network, including 613 bridges and 1,800 retaining walls, as well as between 2,800 and 3,000 culverts and pipes. These structures are under the care of the Regulatory Department rather than the Highways and Municipal Department but it was decided that these structures should be included as part of the review.
- 2.1.9 In order to establish how Gwynedd compares with other similar authorities in these fields, it is compared with the “family” of 9 rural councils in Wales, namely the ones that have relatively similar features to one another and therefore, in terms of the main drivers of expenditure for financial comparisons especially, it is a relatively fair basis for a comparison of like for like.
- 2.1.10 The “family” of Councils include the Isle of Anglesey, Conwy, Denbighshire, Powys, Ceredigion, Pembrokeshire, Carmarthenshire, Monmouthshire as well as Gwynedd.

## 2.2 Current Budget

- 2.2.1 The budget to maintain the Highways Service for the year 2015/16 is £9,198,000. However, for the purposes of this review, information regarding the 2014/15 budget (where the budget was £10.073m) is used to be able to compare with other Councils within the "family".
- 2.2.2 This budget includes the following fields:
- **Road Maintenance Budget**
    - **Road Structures Maintenance Budget** - Financial data source: RA Line 26 ‘Structural Maintenance’. The budget includes re-building roads; maintaining and restoring drainage structures, walls, barriers etc.; and maintaining and strengthening bridges.
    - **Usual Road Maintenance** - Financial data source: RA Line 28 ‘Highways/Roads (Routine)’. The budget includes usual maintenance and cleaning; maintaining signage and lighting; road sweeping and maintaining road verges and trees.
  - **Winter Road Maintenance Budget** - Financial data source: RA Line 29.2 ‘ Winter Maintenance’. The budget includes clearing roads clear of snow and ice. (RA - Revenue Account Return Forms that need to be completed by every County for the Welsh Government)

- 2.2.3 The following is a summary of Gwynedd's Highway Maintenance budget in the relevant fields in recent years:

Budget	2008/09 (£)	2009/10 (£)	2010/11 (£)	2011/12 (£)	2012/13 (£)	2013/14 (£)	2014/15 (£)	2015/16 (£)
Road Structures Maintenance	6,996,000	5,931,000	5,938,000	6,003,000	5,947,350	5,844,000	6,101,000	5,659,000
Usual Road Maintenance	1,935,000	3,702,000	3,567,000	3,321,000	3,090,000	£2,811,000	2,888,000	2,506,000
<b>Road Maintenance (Bridges and Structures)</b>	<b>8,931,000 (1,107,000)</b>	<b>9,633,000 (1,111,000)</b>	<b>9,505,000 (1,142,000)</b>	<b>9,324,000 (1,142,000)</b>	<b>9,037,350 (1,136,000)</b>	<b>8,655,000 (1,138,000)</b>	<b>8,989,000 (1,183,000)</b>	<b>8,165,000 (1,089,000)</b>
Winter Road Maintenance	1,278,000	1,104,000	1,100,000	1,083,000	1,072,000	1,044,000	1,084,000	1,033,000
<b>Total</b>	<b>10,209,000</b>	<b>10,737,000</b>	<b>10,605,000</b>	<b>10,407,000</b>	<b>10,109,350</b>	<b>9,699,000</b>	<b>10,073,000</b>	<b>9,198,000</b>

- 2.2.4 Within the figure of £8,165,000 in 2015/16 , there is a budget of £1,089,000 for the work of maintaining bridges, retaining walls and culverts.

- 2.2.5 It is noted that there was a decrease in the road maintenance budget during 2012/13 and 2013/14 with an increase in 2014/15 before a further reduction in 2015/16. A summary of the **main differences** in the budget can be seen in the table below:

<b>2011/12 to 2012/13 and 2013/14</b>	
Efficiency Savings	- £177,000
Budget transfers	- £191,000
Reduction in grant	- £37,000
<b>2013/14 to 2014/15</b>	
Modifications to technical budget	£65,000
Repayment of one time budget borrowing	£50,000
Increase in central costs	£27,000
General inflation	£210,000
<b>2014/15 to 2015/16</b>	
Efficiency Savings	- £576,000
Transfers from the budget	- £143,000
Reduction in central costs and Business Rates	- £156,000

- 2.2.6 In addition, during the period in question there was capital expenditure by the Highways Service on matters such as treating water damage on roads, safety fencing and grants to improve the standard of roads which are summarised in the table below. (It is specifically noted that this had included the local road maintenance annual grant (approximately £1m annually) from the Welsh Government between 07/08 and 10/11 and the grant loan from the Government (approximately £2.9m annually) for 3 years between 2012/13 and 2014/15).

Budget	2008/09 (£)	2009/10 (£)	2010/11 (£)	2011/12 (£)	2012/13 (£)	2013/14 (£)	2014/15 (£)
Highways Capital Expenditure	1,021,676	1,190,323	914,104	443,028	3,182,869	3,017,540	3,257,853

### 3. Are we effective?

#### 3.1 Road Standards

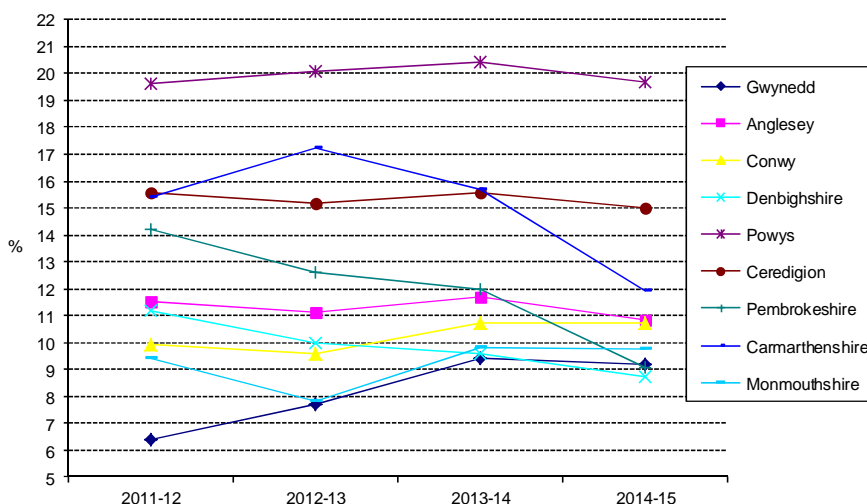
3.1.1 Historically, Gwynedd has been the best among the family in terms of road standards (the condition of our roads measured on average % of roads (class A, B and C) fail) but Gwynedd was in 3rd place by 2014/15. In simple terms, roads that fail are defined as ones that have come to the end of their structural lifespan and as a result require attention as they are no longer able to hold the weight of vehicles.

3.1.2 Over the period from 2011/12 to 2014/15, it is noted that there was an increase in the average % of roads (A, B, C) that failed in Gwynedd while the rest of the family's Councils have remained relatively consistent or have reduced. The main reason for this is the fact that a number of Gwynedd class C roads were damaged by floods during 2012 in Gwynedd and although £500,000 (£250,000 for roads and £250,000 for bridges) of additional funding had been earmarked to treat some of the worst cases, this had been insufficient to treat all the damage caused. As there is a higher % of class C roads in Gwynedd (as is the case in Powys, Ceredigion, Pembrokeshire and Carmarthenshire) this decline affected the figures of average % of roads (class A, B, C) that failed.

3.1.3 The table and graph below shows the average % of roads that failed across the family:

	Cyfartaledd % Methiant Ffyrdd			
	2011-12	2012-13	2013-14	2014-15
<b>Gwynedd</b>	6.4	7.7	9.4	9.2
<b>Anglesey</b>	11.5	11.1	11.7	10.9
<b>Conwy</b>	9.9	9.6	10.7	10.7
<b>Denbighshire</b>	11.2	10	9.6	8.7
<b>Powys</b>	19.6	20.1	20.4	19.7
<b>Ceredigion</b>	15.6	15.2	15.6	15.0
<b>Pembrokeshire</b>	14.2	12.6	12	9.1
<b>Carmarthenshire</b>	15.4	17.2	15.7	11.9

% Average Road Failures



Source: Data Unit

- 3.1.4 Although the average % of roads that failed in Gwynedd in 2014-15 was lower than the average of most of the family's other Councils, this did not mean that the failure % of every road class (class A, B and C) was consistently better than the other Councils.
- 3.1.5 Appendix 2 shows an analysis of the % of individual class A, B and C road failures of the family's Councils. It can be seen that there was a decline in class A and B road standards in Gwynedd during the period between 2008/09 to 2011/12 which is similar to the situation of most of the remaining Councils in the family. A Welsh Government Loan Grant was received for 3 years from 2012/13 to 2014/15 which has enabled us to improve/maintain the standard of our strategic Class A and B roads, it can be seen that other Councils have also benefitted from the grant with a general improvement in the standards of their A and B roads.
- 3.1.6 Gwynedd prioritised maintaining the condition of class C roads during the period from 2008/09 to 2011/12 (with a decline of 13.7% to 7.8% in roads failing) as a result of receiving an annual grant (approximately £1m per year from the Welsh Government) between 2007/08 and 2010/11 while on the whole, standards of roads within the same class for the rest of the family declined.
- 3.1.7 However, an increase was seen following this in the % of class C roads that failed during 2012/13 and 2013/14. There are a number of reasons for this which include:
- i) Substantial damage to rural roads (Class C) following heavy rain (over a long period of time) and serious flooding in November 2012, where there was substantial damage to the Class C and unclassified roads network. Damage valued at over £1 million to our rural county roads was caused on 22 November 2012 alone.
  - ii) There was insufficient funding to restore the damaged roads after the floods i.e. it has taken 3 years to restore roads damaged by the flood in the Arfon Area and as a result a lot of the budget for the work programme to improve Class C roads has been allocated to restore the damaged roads.
  - iii) The Highways budget has not received an 'inflation' increase which would be equivalent to £239,000 in 12/13 and £108,000 in 13/14 due to efficiency savings. With the price of road surfacing increasing by 18% in 2012 alone, less money has been available to implement an improvements programme for Class C roads.
- 3.1.8 By 2014/15, it is noted that the indicator is 14.2% which indicates that we have now completed the work of repairing roads that were damaged by the storms and as a result can undertake more of the work programme on this category of roads. By examining the same period, only Pembrokeshire and Carmarthenshire seem to have invested to improve the standard of their Class C roads with the rest tending to worsen or remain on a similar level.
- 3.1.9 In terms of the winter maintenance service, the National Highways and Transport Network survey that was undertaken in 2010 indicates that the satisfaction score regarding provision within the Council was 65.40 out of 100 which means that we are the best among all councils that took part in the survey.<sup>1</sup>

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1 In 2010, Gwynedd took part in the NHT (National Highways and Transport Network) survey, namely a postal survey that was undertaken by Ipsos Mori, following their appointment by the NHT Network.

The survey measures public satisfaction with regard to Highways and Transport services. A questionnaire was distributed to 4,500 homes in each local authority that took part in the survey. Usually, the response rate is approximately 17.6%.

In 2010, 95 authorities across England and Wales took part.

### 3.2 Maintaining and Restoring Bridges, Retaining Walls and Culverts

3.2.1 Gwynedd Council is responsible for maintaining all retaining walls and bridges in Gwynedd. The Council has a statutory requirement to inspect these assets and guidelines and a good practice code exist.

3.2.2 A summary of the budget for maintaining and restoring bridges, retaining walls and culverts in 2014/15 is included below:

Budget for Works	£888,830
Budget for Inspections and Assessments	£246,600
Central Costs	£47,700
	£1,183,130

3.2.3 Gwynedd is responsible for approximately 2800-3200 structures that meet the requirements for an inspection in accordance with the code of practice. Of these structures, 631 bridges are inspected and assessed and the remaining stock are retaining walls and culverts.

3.2.4 Complying in full with the guidelines and code of practice for inspections and assessments of bridges, retaining walls and culverts is likely to cost approximately £800k a year for the Council compared with the existing budget of £246,000 for inspections and assessments in 2014/15.

3.2.5 Bridge and structures inspections and assessments are 2 different components with the inspection procedure entailing an inspection of the structure to identify any defects or issues requiring attention and undertaking a general technical work. This information is then used to undertake detailed technical work as part of the assessment work in order to address issues such as the residual life and strength of the structure.

3.2.6 Up to 2010/11, the Council had inspected each one of the 631 bridges in the County every two years. This had meant a general inspection of the structure with some receiving a special inspection where specific information existed or if a structure was fragile or problematic. By following this inspection procedure, associated expenditure was as follows:

Year	General Inspection of Bridges	Total Costs
1	355	£89,000
2	275	£68,750
Total every 2 years		£157,750

3.2.7 The above equates to an expenditure of about £80,000. In addition, it is estimated that approximately £30,000 a year was spent on special inspections which gave a total annual expenditure of approximately £110,000.

3.2.8 Historically, the Council has not had an inspection procedure for the 1800 retaining walls and culverts in the County and any work has been undertaken on a responsive basis.

3.2.9 By now, emphasis is placed on attempting to prioritise structures based on risks identified by the Department. However, this is not necessarily based on information regarding actual risks and in order to be able to successfully prioritise based on risks in future, detailed

information will need to be established regarding structures in the first place, especially in the case of retaining walls and culverts (where information is currently incomplete).

- 3.2.10 Over recent years, it is noted that there has been an increase in expenditure on expensive responsive work (outlined below) and that programming work would be better. A substantial increase in expenditure can be seen from 2012/13 onwards as a result of severe flooding during that year as well as other more recent events.

Year	Responsive Work Cost
2007-08	£84,349
2008-09	£68,431
2009-10	£225,577
2010-11	£303,130
2011-12	£275,481
2012-13	£523,125
2013-14	£459,505
2014-15	£383,868

- 3.2.11 By following a procedure of targeting structures based on risk, it is estimated that a one-off investment of approximately £104,000 would be required in order to establish the detailed information about all structures in the first place. Subsequently, it is estimated that the annual costs of inspecting and assessing the structures by targeting the one that presents the highest risk for the Council would be approximately £194,000. This would lead to an annual savings of approximately £52,600 compared with the budget of £246,600 in 2014/15.
- 3.2.12 Financial and legal risks exist if the requirements of the code of practice are not met or if no arrangements to prioritise are in place. However, Gwynedd's situation is not unique and a number of other authorities were contacted as part of the review to establish what their inspection arrangements were. It appears that none of the ones that responded fully met the requirements of the guidelines and the code of practice, and generally as much as what is possible within the available budget is done. It is noted that the majority undertake a general inspection of their bridges every two years with a shift also towards undertaking more detailed inspections based on risk.

### **3.3 Ipsos Mori Satisfaction Survey**

- 3.3.1 In 2010, Gwynedd took part in the NHT (National Highways and Transport Network) survey, namely a postal survey that was undertaken by Ipsos Mori, following their appointment by the NHT Network.
- 3.3.2 The survey measures public satisfaction with regard to Highways and Transport services. A questionnaire was distributed to 4,500 homes in each local authority that took part in the survey. Usually, the response rate is approximately 17.6%.
- 3.3.3 In 2010, 95 authorities across England and Wales took part.
- 3.3.4 The survey is divided into the following themes:
- General
  - Accessibility
  - Public Transport
  - Walking / Cycling
  - Tackling Waste

- Road Safety
- Road Maintenance

**3.3.5 How is the survey scored?**

- Under the 7 above themes, there is a total of 26 KBI (Key Benchmark Indicator)
- Every Local Authority is scored against each one of the KBIs, out of a maximum score of 100.
- Local Authorities are graded against each other in accordance with their score, out of the total 95 authorities that participated.
- In addition to this, Local Authorities are compared against each other, in accordance with their score, and graded out of the 20 unitary authorities that participated.

3.3.6 The Ipsos MORI survey uses a colour system to highlight Councils' performance: Good (green), Average (amber) or Poor (red) against every KBIs. This system is based on the scores of individual Authorities compared with the average lowest, median and highest scores for all the Authorities.

3.3.7 By comparing with all Authorities of the survey, Gwynedd received the following out of 26 KBI:

- 16 Green
- 9 Amber
- 1 Red (KBI-10)

3.3.8 When comparing Gwynedd against the Unitary Authorities alone, Gwynedd scored:

- 20 Green KBI
- 5 Amber KBI
- 1 Red KBI (KBI-10)

**3.3.9 Outcomes**

Of the 26 KBIs, Gwynedd's score was among the top 5 on 8 occasions (out of 95 authorities), namely:

<u>KBI</u>	<u>Element</u>	<u>Position out of 95</u>
01	General satisfaction with Highways and Transportation (against local importance)	3
02	General satisfaction with Highways and Transportation (against national importance)	3
03	Ease of Access to Key Services (everyone)	3
17	General satisfaction with Traffic Levels and Congestion i.e. Queues	3
18	Satisfaction with Road Works Management	5
23	General satisfaction with the condition of Highways i.e. Roads and pavements	3
24	Satisfaction with Highway Maintenance	2
26	Highways Enforcement/Obstructions	5



By comparing with Unitary Authorities alone, Gwynedd's score was among the top 5 (out of 20 unitary authorities) on 20 occasions, and came first on 6 occasions:

<b>KBI</b>	<b>Element</b>	<b>Position out of 20</b>
01	General satisfaction with Highways and Transportation (against local importance)	1
02	General satisfaction with Highways and Transportation (against national importance)	1
18	Satisfaction with Road Works Management	1
24	Satisfaction with Highway Maintenance	1
25	General satisfaction with Street Lighting	1
26	Highways Enforcement/Obstructions	1

3.3.10 The full report shows that Gwynedd, on the whole, scores very well in the Satisfaction survey.

3.3.11 Gwynedd regularly compares well against all Authorities that were associated with the survey, and compares very favourably against the other Unitary Authorities.

3.3.12 The report suggests that Gwynedd citizens are satisfied with the standard of Gwynedd roads.

### **3.4 Engagement**

3.4.1 As part of the Strategic Review, a number of engagement exercises were held during July and October 2012 among Gwynedd residents, road users and the emergency services to gather opinions and observations about the standard of Gwynedd roads.

3.4.2 The aim was to ask these user groups for their opinions on Gwynedd roads, their experiences of communicating with the Highways Service, and identify which elements, in their opinion, were to be praised and what could be improved.

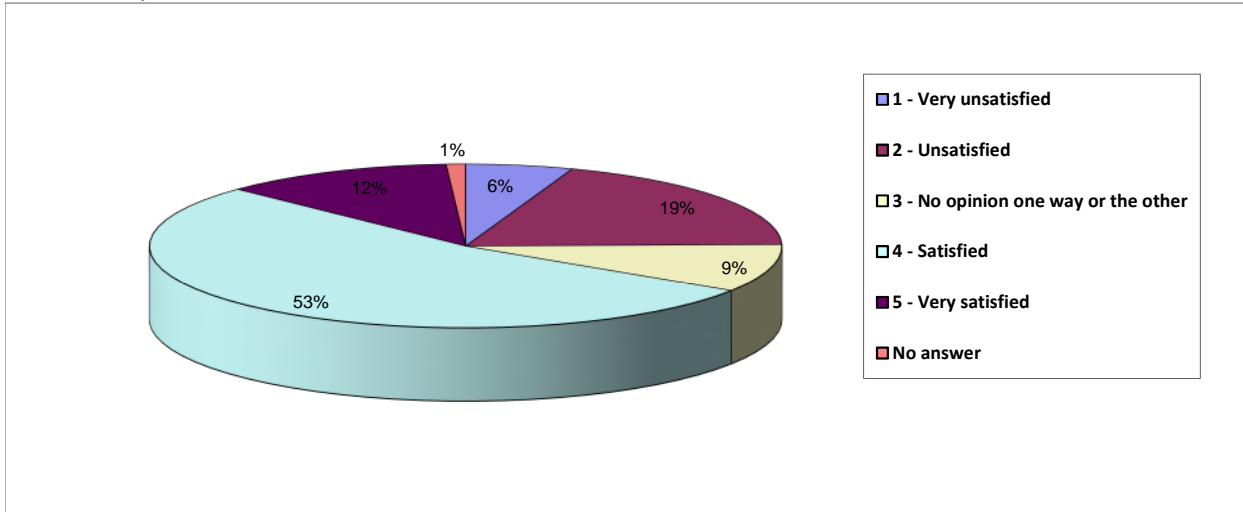
3.4.3 Because we engage with several different user groups, different methods were used as we contacted them. The different groups and results of the engagement are listed below.

**3.4.4 Citizens' Panel**

3.4.4.1 3 questions involving the Highways Service were asked (See Appendix 3 for further analysis per question):

**3.4.4.2 The condition of Gwynedd roads in general**

On a scale of 1 to 5, how do you feel about the following, where 1 is very dissatisfied and 5 is very satisfied?

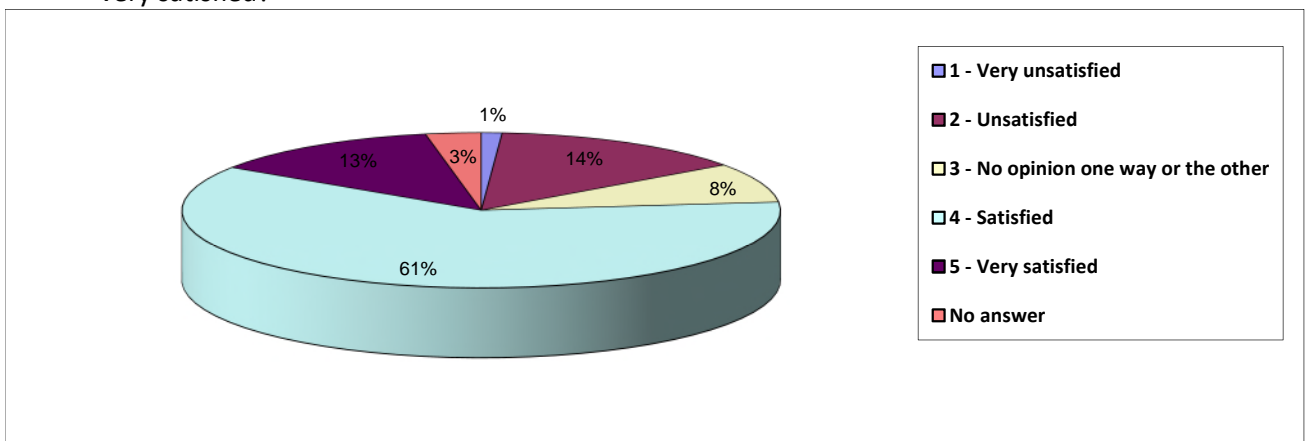


As shown in the above graph, of the 802 people who completed the survey, 66% were satisfied or very satisfied with the condition of Gwynedd roads, while 24% were dissatisfied or very dissatisfied with the condition of Gwynedd roads. (It is difficult to rationalise this as the condition of our roads is among the best in the family and has the relatively best satisfaction rate according to the MORI survey. Does it correspond to an experience on a single road?)

10% had not noted an opinion, or had not responded to the question.

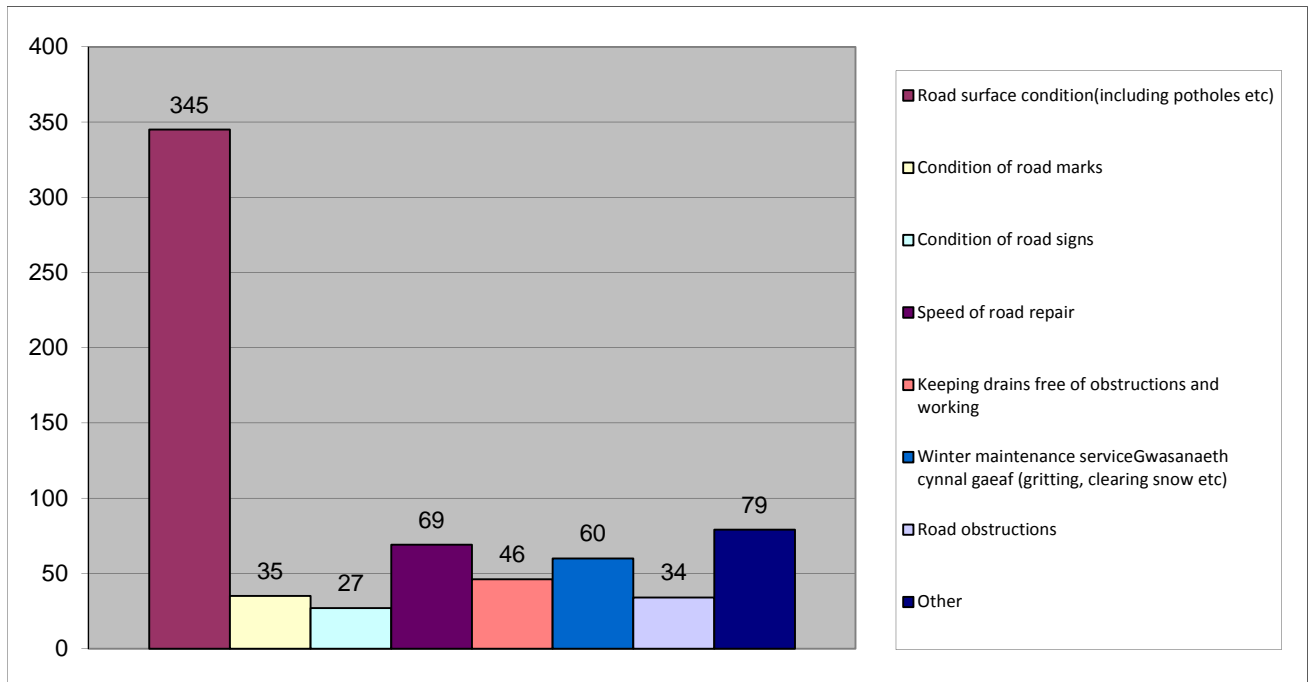
**3.4.4.3 The safety of Gwynedd roads in general**

On a scale of 1 to 5, how do you feel about the following, where 1 is very dissatisfied and 5 is very satisfied?



Once again, when considering the safety of roads in Gwynedd in general, the vast majority of people who completed the survey (74%) noted that they were satisfied or very satisfied with the safety of Gwynedd roads. 15% noted that they were dissatisfied or very dissatisfied with road safety, while 11% did not note an opinion or did not answer the question.

### 3.4.4.4 What, if at all, needs to be done to improve the condition of Gwynedd roads? (Open question)



The above graph shows that the main concern of the people of Gwynedd is the condition of road surfaces, with 345 people identifying this as one of the fields that required improvement. This is nearly 50% of all the people who completed the survey.

Among the rest, it appears that the biggest complaint is the speed it takes to repair roads (69) and the winter maintenance service (60). Of the 79 who had noted 'Other', many of the observations are specifically about individual areas, but on the whole, they can be grouped under the following headings:

- More attention required to the condition of back roads / condition of road surfaces require attention (16)
- Prevent / deal with speeding (11)
- More / improve the condition of cycling / walking routes (10)
- Maintain hedges and grass on roadsides (8)
- Deal with traffic light system / more required (7)
- More / rationalise speed bumps (5)
- Too many road signs (4)
- Widen roads (4)
- Parking matters (3)
- Bypass roads (3)
- Road treatment (3)
- Condition of walls (2)
- Road cleanliness (2)

### **3.4.5 Service Staff**

- 3.4.5.1 It was agreed that it was essential to engage with Service staff in order to gather their opinions and experiences as providers and service users, and to ensure that they got the opportunity to be part of the Review.
- 3.4.5.2 It was decided to engage with front line staff and office staff together as all of them were one team within the highways service.
- 3.4.5.3 2 engagement sessions were held in every area (Arfon, Dwyfor, Meirionnydd) over a period of two weeks, and Council facilitators were used to lead discussions among staff.
- 3.4.5.4 A specific engagement pack was prepared for the facilitators, noting the main aims of the sessions as well as leading questions focusing on:
  - What works well?
  - Looking to the Future
  - What should we do differently and how?
- 3.4.5.5 The engagement took place during September and October 2012.
- 3.4.5.6 See Appendix 4 for a copy of the full minutes.
- 3.4.5.7 See the main messages from the engagement on the following page.

	<b>WHAT WORKS WELL?</b>	<b>LOOKING TO THE FUTURE</b>	<b>WHAT SHOULD WE DO DIFFERENTLY AND HOW?</b>
<b>General standard of roads and service standard</b>	<ul style="list-style-type: none"> <li>- The condition of Gwynedd roads is higher than other places and has led to winning national awards. This is partly due to the maintenance programme which means that a high standard is retained.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue with the proactive maintenance arrangements.</li> <li>- Need to look at infrastructure and the basis for allocating the available funding e.g. based on population rather than road miles within the area.</li> <li>- Further cuts in the maintenance budget will lead to future problems</li> </ul>	<ul style="list-style-type: none"> <li>- Continue with the proactive maintenance arrangements.</li> <li>- Look at managing demand for the service</li> </ul>
<b>Public Perception</b>	<ul style="list-style-type: none"> <li>- People appreciated the work and often express gratitude</li> </ul>		<ul style="list-style-type: none"> <li>- Educating the public regarding the responsibilities of the service and manage their expectations</li> </ul>
<b>Emergencies</b>	<ul style="list-style-type: none"> <li>- Excellent response with a practical solution for emergencies within 2 hours at any time</li> </ul>	<ul style="list-style-type: none"> <li>- Rationalise the number on stand by to ensure value for money</li> <li>- Ensure sufficient capacity to respond to emergencies</li> </ul>	<ul style="list-style-type: none"> <li>- Improve Police response</li> <li>- accuracy of location, wait until the emergency has been resolved for safety reasons</li> <li>- Join Highways and Municipal during periods of emergency.</li> <li>- Use local people to report on local needs and resolve them where relevant</li> <li>- Get the public to take some of the responsibility for clearing snow</li> </ul>
<b>Workforce contribution</b>	<ul style="list-style-type: none"> <li>- Conscientious staff who work very well together.</li> <li>- Workforce knowledge about their area is a strength</li> <li>- Excellent response to emergencies at all times</li> </ul>	<ul style="list-style-type: none"> <li>- Keep the work in the internal workforce.</li> <li>- Creates career paths.</li> <li>- Listen and implement workforce's ideas/suggestions</li> </ul>	<ul style="list-style-type: none"> <li>- More opportunities to climb the career ladder</li> <li>- Regular visits from senior managers</li> <li>- Develop ways of finding and sharing opinions and information</li> </ul>
<b>Use of Resources/Systems/Processes</b>	<ul style="list-style-type: none"> <li>- Equipment of the best standard maintained very well.</li> <li>- Good working relationship between the workforce and inspectors</li> </ul>	<ul style="list-style-type: none"> <li>- Review bureaucracy with fewer links within the chain.</li> <li>- Better information flows</li> </ul>	<ul style="list-style-type: none"> <li>- Rationalise and simplify bureaucracy.</li> <li>- More effective technology systems.</li> <li>- More freedom for the workforce to solve problems.</li> <li>- Better co-ordination between highways and municipal and between</li> </ul>

			<p>areas.</p> <ul style="list-style-type: none"><li>- Improve services by taking advantage of the workforce's experience and knowledge about the service- More information from Headquarters to the areas about what is happening</li><li>- More information from Headquarters to the areas about what is happening</li></ul>
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	<b>WHAT WORKS WELL?</b>	<b>LOOKING TO THE FUTURE</b>	<b>WHAT SHOULD BE DONE DIFFERENTLY?</b>
<b>General standard of roads and service standard</b>	<ul style="list-style-type: none"> <li>- The condition of Gwynedd roads is higher than other places and has led to winning national awards. This is partly due to the maintenance programme which means that a high standard is retained.</li> </ul>	<ul style="list-style-type: none"> <li>- Continue with the proactive maintenance arrangements.</li> <li>- Need to look at infrastructure and the basis for allocating the available funding e.g. based on population rather than road miles within the area.</li> <li>- Further cuts in the maintenance budget will lead to future problems</li> </ul>	<ul style="list-style-type: none"> <li>- Continue with proactive maintenance arrangements</li> <li>- Look at managing demand for the</li> </ul>
<b>Public Perception</b>	<ul style="list-style-type: none"> <li>- People appreciated the work and often express gratitude</li> </ul>		<ul style="list-style-type: none"> <li>- Educating the public regarding the responsibilities and service and managing expectations</li> </ul>
<b>Emergencies</b>	<ul style="list-style-type: none"> <li>- Excellent response with a practical solution for emergencies within 2 hours at any time</li> </ul>	<ul style="list-style-type: none"> <li>- Rationalise the number of vehicles on stand by to ensure value for money</li> <li>- Ensure sufficient capacity to respond to emergencies</li> </ul>	<ul style="list-style-type: none"> <li>- Improve Police response</li> <li>- accuracy of location information</li> <li>- wait until the situation has been resolved for safety reasons</li> <li>- Join Highway Patrol</li> <li>- Municipal during hours of emergency.</li> <li>- Use local police to report on local issues and resolve them where relevant</li> <li>- Get the public involved in some of the work for clearing snow</li> </ul>
<b>Workforce contribution</b>	<ul style="list-style-type: none"> <li>- Conscientious</li> </ul>	<ul style="list-style-type: none"> <li>- Keep the work in the</li> </ul>	<ul style="list-style-type: none"> <li>- More opportunities</li> </ul>

	<p>staff who work very well together.</p> <ul style="list-style-type: none"> <li>- Workforce knowledge about their area is a strength</li> <li>- Excellent response to emergencies at all times</li> </ul>	<p>internal workforce.</p> <ul style="list-style-type: none"> <li>- Creates career paths.</li> <li>- Listen and implement workforce's ideas/suggestions</li> </ul>	<p>climb the career ladder</p> <ul style="list-style-type: none"> <li>- Regular visits from senior managers</li> <li>- Develop ways of finding and sharing opinions and information</li> </ul>
<p><b>Use of Resources/Systems/Processes</b></p>	<ul style="list-style-type: none"> <li>- Equipment of the best standard maintained very well.</li> <li>- Good working relationship between the workforce and inspectors</li> </ul>	<ul style="list-style-type: none"> <li>- Review bureaucracy with fewer links within the chain.</li> <li>- Better information flows</li> </ul>	<ul style="list-style-type: none"> <li>- Rationalise and simplify bureaucracy.</li> <li>- More effective technology systems.</li> <li>- More freedom for the workforce to solve problems.</li> <li>- Better co-ordination between highways and municipal and between areas.</li> <li>- Improve services by taking advantage of the workforce's experience and knowledge about the service- More information from Headquarters to the areas about what is happening</li> <li>- More information from Headquarters to the areas about what is happening</li> </ul>



### 3.4.6 Emergency Services

- 3.4.6.1 It was decided that it would be beneficial to engage with representatives from the emergency services in order to gather their opinions and experiences about the Highways service. It was agreed that the Police would be that service as it was a service that closely collaborated with all of the others.
- 3.4.6.2 Gareth Osmond Jones (Road Safety Manager) was identified as the point of contact and an initial discussion was held with him over the phone, which was followed up by asking him to complete a questionnaire.
- 3.4.6.3 See a copy of the questionnaire and answers in full in Appendix 5.
- 3.4.6.4 It appears that the police regularly contact the Highways service, but as required rather than according to any specific timetable, via a number of different methods (telephone, meeting, on-site etc.).
- 3.4.6.5 The police were asked to identify the main matters that would lead them to contact the Highways service. It was noted that engagement took place on a number of different matters, including:
- Road safety, and related concerns
  - Visits to accident locations
  - Consulting on road improvement schemes
  - Safety audits
- 3.4.6.6 By asking the Police to note how satisfied they are with the way in which the Highways service responds to the matters which are raised, it was noted that they are very satisfied with the response, and that good communication existed between them.
- 3.4.6.7 The police were asked to note what type of information they currently received from the service, and to state what additional information they would like to receive in future? It is likely that they mainly receive information about the condition and safety of roads, and it was also noted that there was no additional information they would like to receive in future.
- 3.4.6.8 In relation to relaying information back to the Council, the police noted that they shared:
- statistical information
  - information about accident trends
  - relevant information following serious accidents
- 3.4.6.9 This information could assist the Council to make decisions about resource and financial matters when planning matters such as road safety.
- 3.4.6.10 The police are satisfied with the condition of Gwynedd roads. They are aware of the financial challenge which faces the Council, and accept that the ability to undertake road improvements is associated with the available budget.
- 3.4.6.11 Despite this, it was noted that there are some roads in Gwynedd which require resurfacing, and there is also a need to update and improve road signage.

- 3.4.6.12 On the whole, the police believe that Gwynedd has roads of an acceptable standard, and the police recognise that the task of identifying where and how to spend the budget is difficult.
- 3.4.6.13 In conclusion, it was noted that the police identified that all classes of roads are important, but that the strategic roads (class A) are the busiest, with the highest number of accidents, and therefore these were considered as the most important roads.
- 3.4.6.14 It was agreed not to consider accident data and statistics when analysing the condition of Gwynedd roads. Although detailed data about accidents is collected and analysed by the Police, it is difficult to interpret the information in a manner that is relevant to the review. In addition, it is not possible to create a comprehensive correlation between the number of accidents and standard of roads, as it could be argued that roads in an excellent condition can encourage people to speed, and therefore cause accidents, while roads in a poor condition can also lead to accidents. Often it's a mistake by a driver who causes an accident and not the road itself.

### **3.4.7 Town / Community Councils**

- 3.4.7.1 Town / Community Councils were identified as bodies that are in regular and consistent contact with the Highways service, and therefore, their opinion about the service, and the service provided, is important.
- 3.4.7.2 The questionnaire was distributed to all 64 Town / Community Councils in mid-September 2012, and they had until 9 November to respond. 45 (70%) responses had been received at the end of this period.
- 3.4.7.3 The questionnaire included 4 main questions:
- On average, how often do you contact the Highways service?
  - What do you think are the 3 main issues that will impel you to contact the Highways service?
  - On the whole, how satisfied are you with the way in which the Highways service responds to the matters you raise?
  - On a scale of 1-10, where 1 is Very Dissatisfied and 10 is Very Satisfied, in your opinion, as a Community Council what score would you give the Road Maintenance Service?
- If you have scored less than 10, what must the Council do to bring the score up to 10?
- 3.4.7.4 Most of the Community Councils contacted the Highways service every month with over 45% of respondents contacting regarding Road Matters (such as potholes / road condition) and Overgrowth.
- 3.4.7.5 88% of Town / Community Councils noted that they were Very Satisfied or Satisfied with the service provided by the Highways service and only 5 of the questionnaires received (2 from the Arfon area, 3 from the Dwyfor area - 11%) noted that they were dissatisfied with the service. The main reason behind this criticism was the fact that the service did not respond swiftly enough to letters and/or the delay was far too long before they undertook the work noted in their correspondence.
- 3.4.7.6 Nonetheless, of those who noted that they were very satisfied with the service, 'good communication' was one of the regular and positive messages that were provided as a reason.

3.4.7.7 It is worth noting that a number of Town / Community Councils acknowledge that the Highways service is facing a financial challenge and that resources are scarce, and are aware that the service is doing the best it can under the circumstances.

3.4.7.8 See Appendix 6 for a copy of the questionnaire and an analysis of responses received.

### **3.5 Outcome - Are we Effective?**

3.5.1.1 The relative condition of our roads and the priority they were given in the past shows that the condition of our roads is good but although priority has been given to roads in the area the situation is not as positive in terms of maintaining and restoring bridges, retaining walls and culverts. There is no formal inspection procedure in place to inspect our structures against this and although emphasis is placed on seeking to prioritise structures based on risk, there is a need to undertake further work to establish the actual situation before such a procedure can be successfully implemented.

3.5.1.2 This means that we do not comply with the guidelines and code of practice that exist but this situation is similar to the situation of the other authorities that provided information about their inspection arrangements as part of this review. An increase in expenditure on responsive work as a result of severe flooding in 2012/13 is also noted and more recent events that were less severe.

3.5.1.3 The Ipsos MORI survey results confirm that the people of Gwynedd are more satisfied with the standard of roads in the County than most citizens of other local authorities in Britain. In addition, although there is a consensus that the people of Gwynedd are satisfied with the condition of roads in general (66%), the results of the citizens' panel exercise show that one of the main complaints they have identified is the need to give more attention to the condition of back roads, and to road surfaces.

3.5.1.4 The above information shows that the people of Gwynedd, on the whole, are satisfied with road safety, but at the same time they are concerned about speeding, and as a result they also raise awareness of the need for more, or improved standards of pedestrian / cycling routes.

3.5.1.5 The staff's pride in the work they achieve is evident, and they are proud of the fact that Gwynedd roads are the best in Wales. It was noted that they have won awards for their winter maintenance work and that their work is completed to a high standard.

3.5.1.6 As evidence of this, it was noted that they often receive messages from people and communities outside the county, praising the standard of the highways compared with roads in England / South Wales.

3.5.1.7 When dealing with emergencies, the service responds on a 24 hours, 7 days a week basis, and the workforce is more than willing to respond out of hours on call. Category 1 work is undertaken within 2 hours, effective gritting and they respond to emergency calls within 1 hour. However, the size of the workforce in some areas is low, which means that the ability to respond to a local emergency can be low.

3.5.1.8 The police are clearly aware of the financial challenge facing the service and take this into account when criticising the condition of roads. On the whole, the police are satisfied with

the service provided, noting that regular and sufficient communication exists between them.

- 3.5.1.9 Despite this, it is acknowledged that roads exist in Gwynedd which require attention, as well as the need to update and improve road signage. In their opinion, class A roads are the most important roads, as these roads mostly deal with traffic and the highest number of accidents.
- 3.5.1.10 Of the information collected, it appears that the Town / Community Councils consistently and regularly contact the Highways service, and the main reasons for contacting are road matters (potholes, road condition etc.) and overgrowth (grass needing to be cut, trees leaning onto the road etc.).
- 3.5.1.11 The opinion of Town / Community Councils about the Highways service is clearly favourable, with 88% of Town / Community Councils noting that they were satisfied or very satisfied with the service provided.
- 3.5.1.12 Clearly, a small number of Town / Community Councils about are dissatisfied with the service provided, but it appears that is due to a lack of response to enquiries rather than any specific complaint about the condition of roads or work. Nevertheless, there are some specific examples of complaints about the condition of some roads, or about the standard of some pieces of work, but these are among the minority.
- 3.5.1.13 It is encouraging that more Town / Community Councils have given a 10 out of 10 score for the service more than any other score, and most of them (88%) have given a score of 5 or more.
- 3.5.1.14 When noting what the service would have to do in order to receive a 10 out of 10 score (where 10 had not been given), it is interesting that 'improving roads' or 'dealing with overgrowth' were not noted at all - namely what had been noted as the main reasons for contacting the service.
- 3.5.1.15 Instead, the main observation noted was that a 10 out of 10 score would be given if communication was improved, or if calls were dealt with sooner.
- 3.5.1.16 This suggested that improved communication would improve the relationship with the Town / Community Councils. Indeed, a number of Town / Community Councils note that they are aware of the financial challenge facing the service. Rationalising the response / communication arrangement would go a long way to create a more effective and consistent relationship.

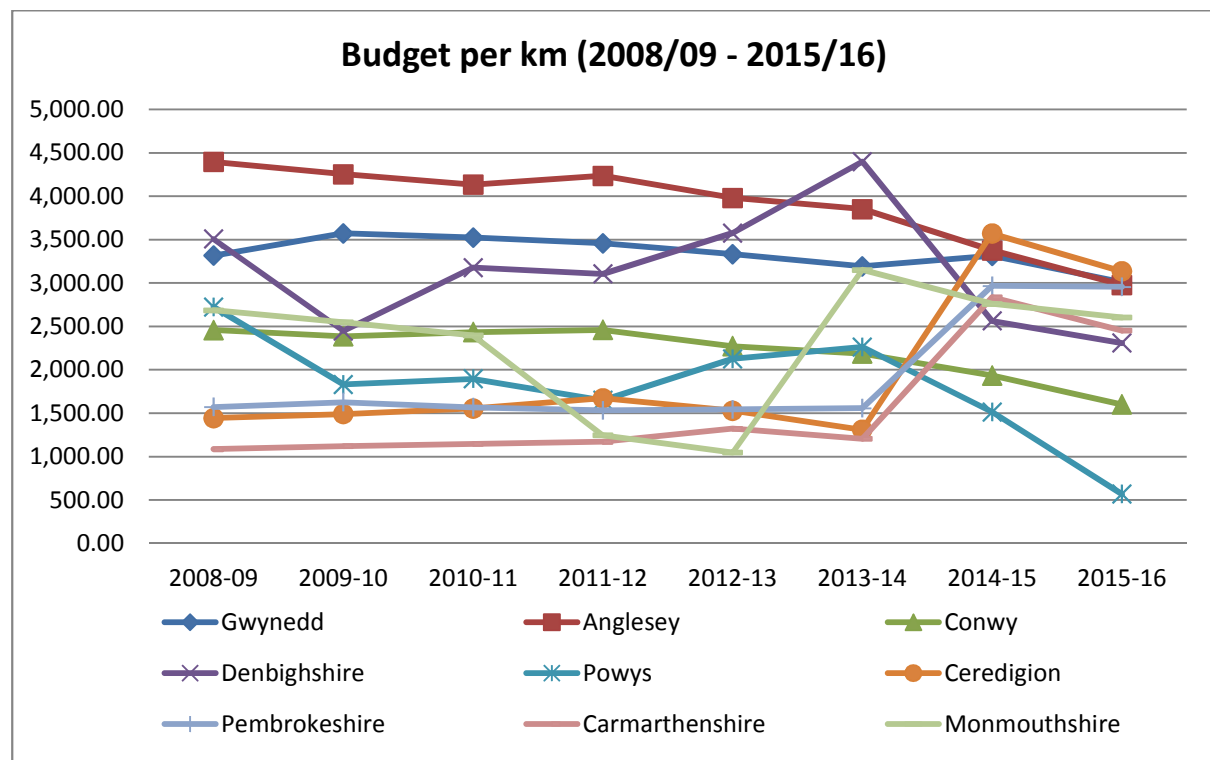
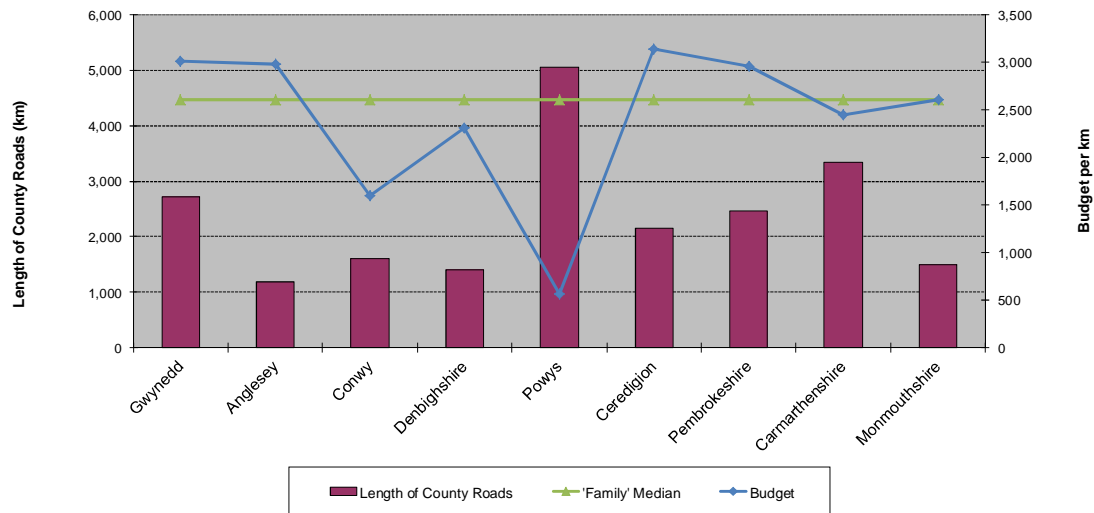
## 4. Are we Efficient?

### 4.1 Budget Comparisons with the Family's Councils

#### 4.1.1 Road Maintenance Budget

4.1.1.1 The following graph shows the difference in length of county roads in the family's Councils, against the budget per Km in 2015/16. It can be seen that Gwynedd has the 3rd highest number of county roads, behind Powys and Carmarthen and that we spend the second highest amount per km on our roads (£3,009), after Ceredigion.

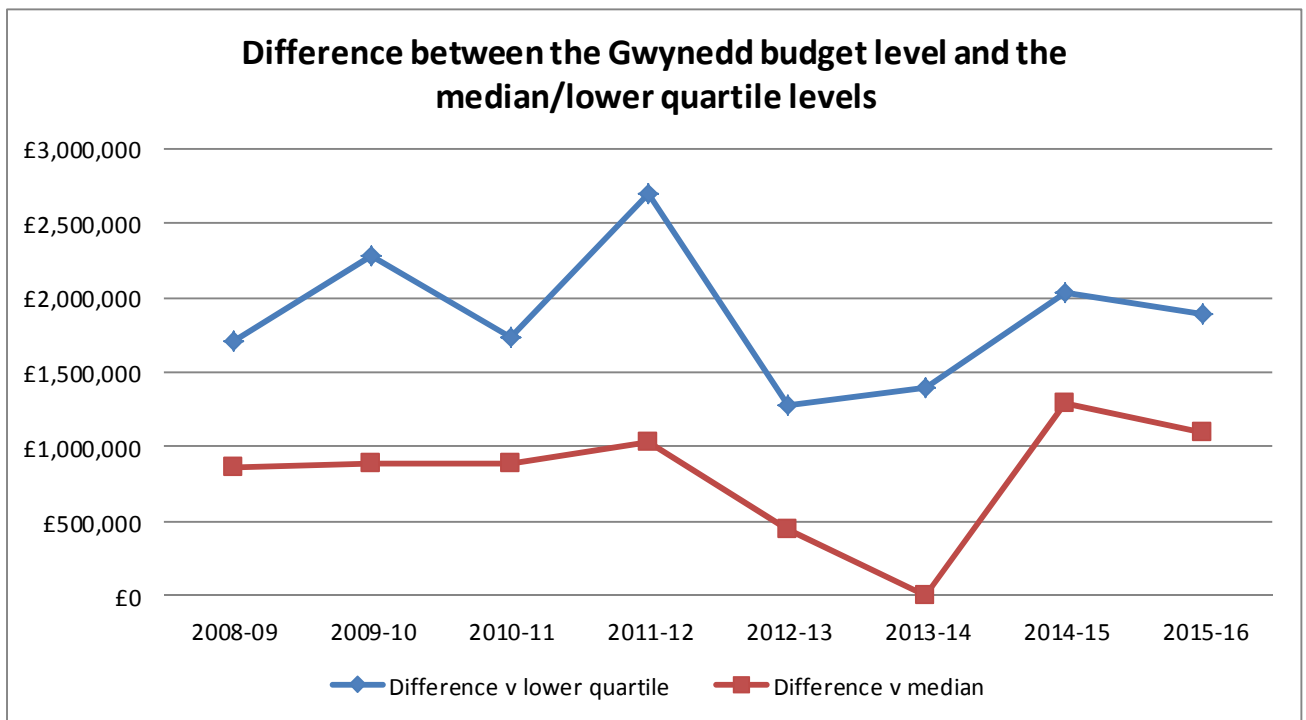
Length of County Roads and Budget per km 2015/16



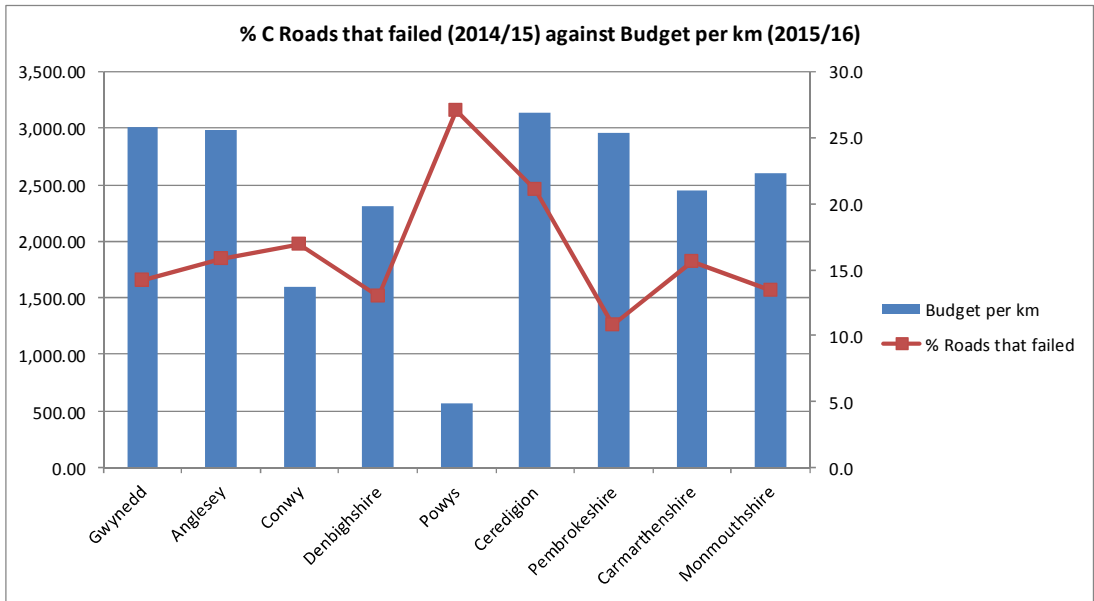
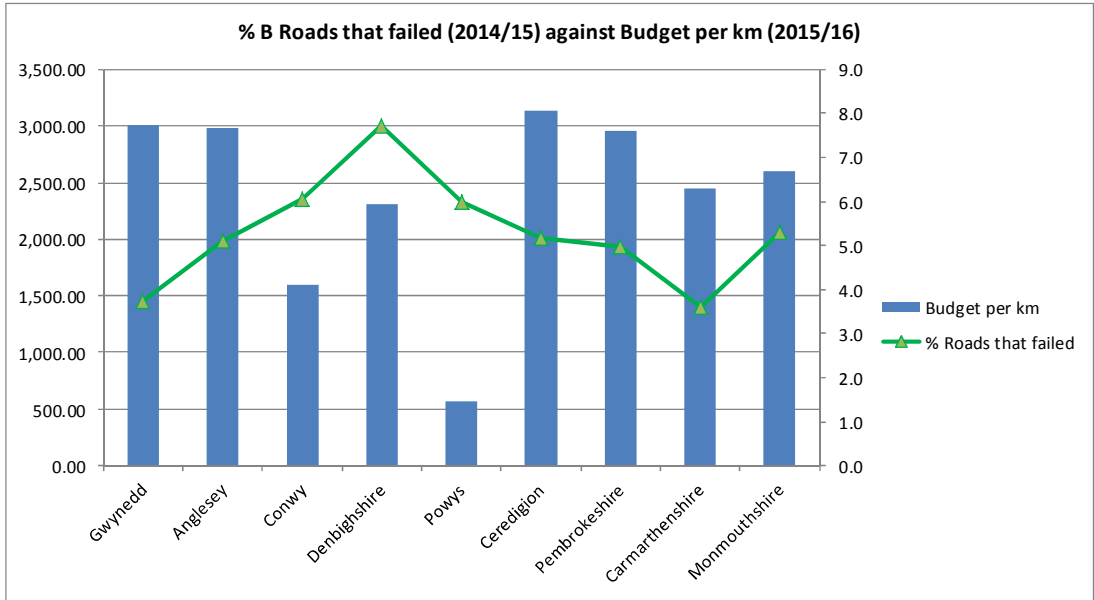
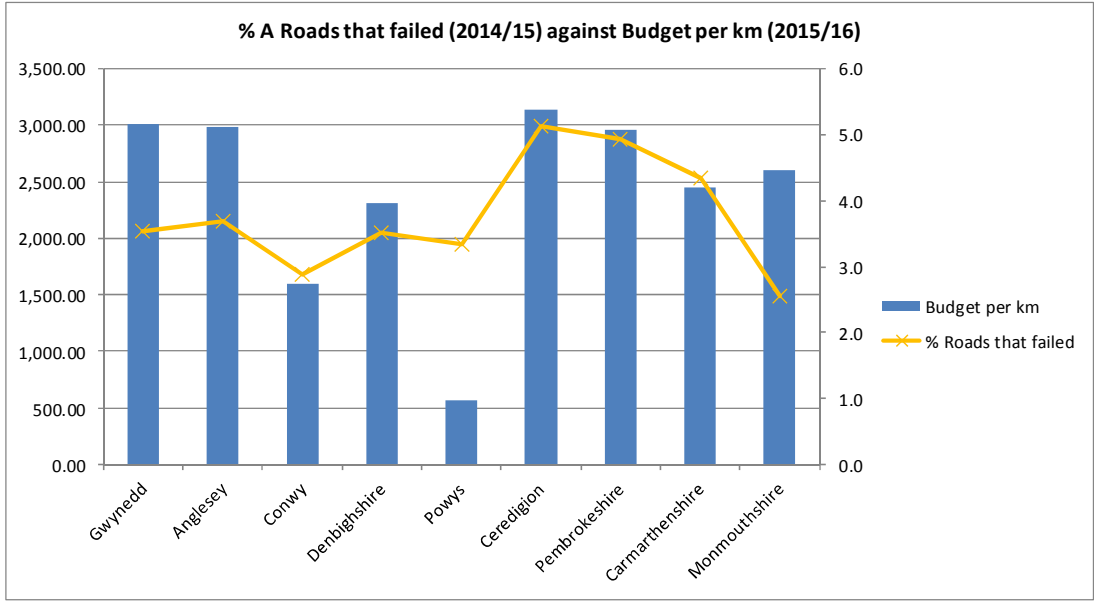
4.1.1.2 It can be seen that Ceredigion Council has the highest budget per km in 2015/16 (£3,136), while Powys Council has the lowest budget per km (£567). Between 2008/09 and 2014/15, Gwynedd's budget has remained relatively stable between approximately £3,200 per km and approximately £3,600 per km with a reduction in 15/16 to £3,009.14. During the period in question, Gwynedd's budget level per km was among the top 3 compared with the rest of the family's Councils and is now the second highest although there has been a general decline in the budget level of every Council. It is noted that reference is made here to the revenue budget as we are not aware of what was the capital budget of other authorities within the family.

4.1.1.3 The graph below which shows the comparison between Gwynedd's budget level and the median level indicates that our budget is between £850,000 and £1,000,000 more than the median between the years of 08/09 and 11/12. A reduction was seen during 12/13 and 13/14 (when the median level was reached) while there was an increase in 14/15 before it reduced again in 15/16. It has already been noted that there was a reduction in road maintenance budget in 12/13, 13/14 and 15/16 which explains some of the reduction in the difference between Gwynedd's budget level, the median and the lowest quartile.

4.1.1.4 In 2015/16, Gwynedd Council's Road Maintenance budget was £1,096,900 more than the median for the family's Councils and £1,896,700 more than the lowest quartile level.

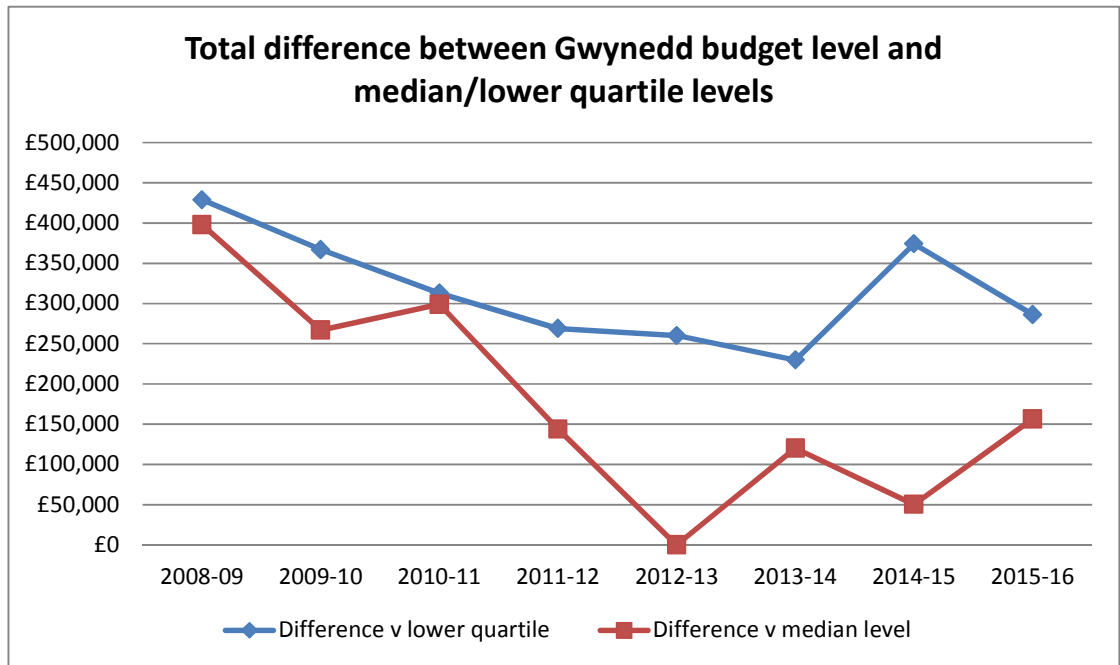
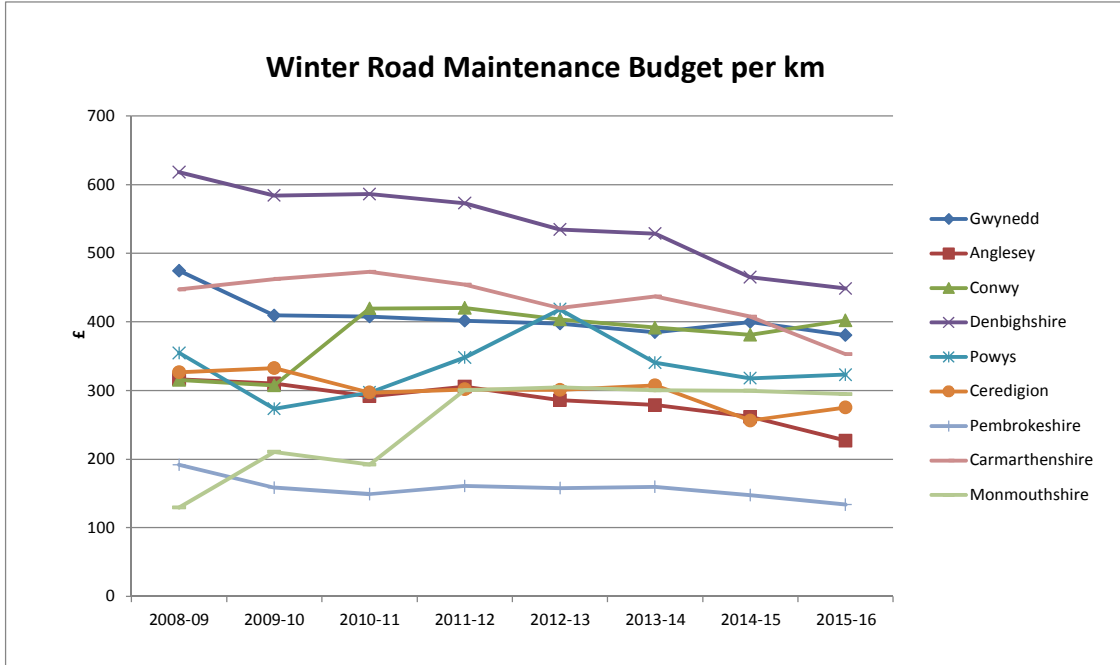


4.1.1.5 The following graphs show the difference between roads (Class A, B and C) that fail against the budget per km of the family's Councils. It is shown that Gwynedd has the 2nd highest budget per km in 15/16 with the % of A roads that fail among the lowest 4, B roads that fail among the lowest 2 and C roads that fail among the lowest 4 in 2014/15.



**4.2 Winter Road Maintenance Budget**

4.2.1 The following graph indicates Gwynedd and the family's Councils' Winter Road Maintenance per km between 2008/09 - 2015/16. It can be seen that Denbighshire has the relatively highest budget per km (£449) while Pembrokeshire has the lowest budget (£134). It is noted that Gwynedd's budget has gradually decreased during the period in question, although there was a slight increase in 2014/15, and it is now the 3rd highest per km (£381).



4.2.2 The above graph shows the difference between Gwynedd's budget and the lowest quartile and the median level of the family. It can be seen that there is a gradual and consistent reduction between Gwynedd's budget level and the lowest quartile level between 2008/09 - 2013/14, with an increase in 2014/15 and a further reduction in 2015/16. Also, there was a substantial reduction in the difference between Gwynedd's budget level and the median



level with Gwynedd's budget about the same level as the family's median in 2012/13 and 2014/15 although the difference had increased to £156,400.

### 4.3 Insurance Claims

- 4.3.1 The above parts refer to budgets and direct expenditure on maintaining roads in the County while insurance claims can be a "concealed" element of the expenditure associated with road maintenance arrangements.
- 4.3.2 As part of the authority's responsibility to maintain roads in the County, defective arrangements in terms of inspection and road maintenance standards can lead to an increase in successful insurance claims if it can be proven that our inspection or road maintenance arrangements have been defective. The nature of claims made varies, from people tripping on pavements to damage to cars while driving on the roads.
- 4.3.3 As no information regarding insurance claims is gathered on a national level, a freedom of information request was made during June 2015 to be able to compare Gwynedd with the "family" of Councils. The table below compares insurance claims over a period of 4 years from 2011/12 to 2014/15.

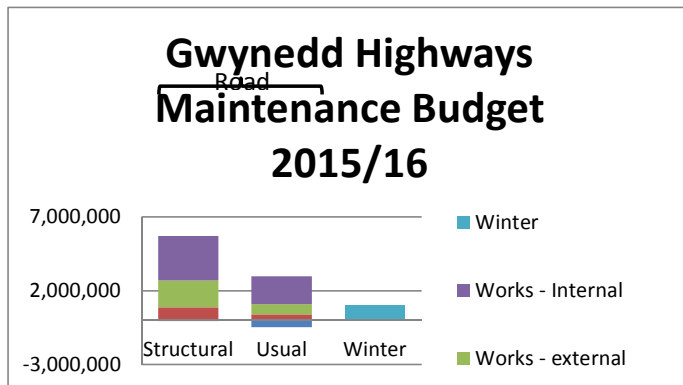
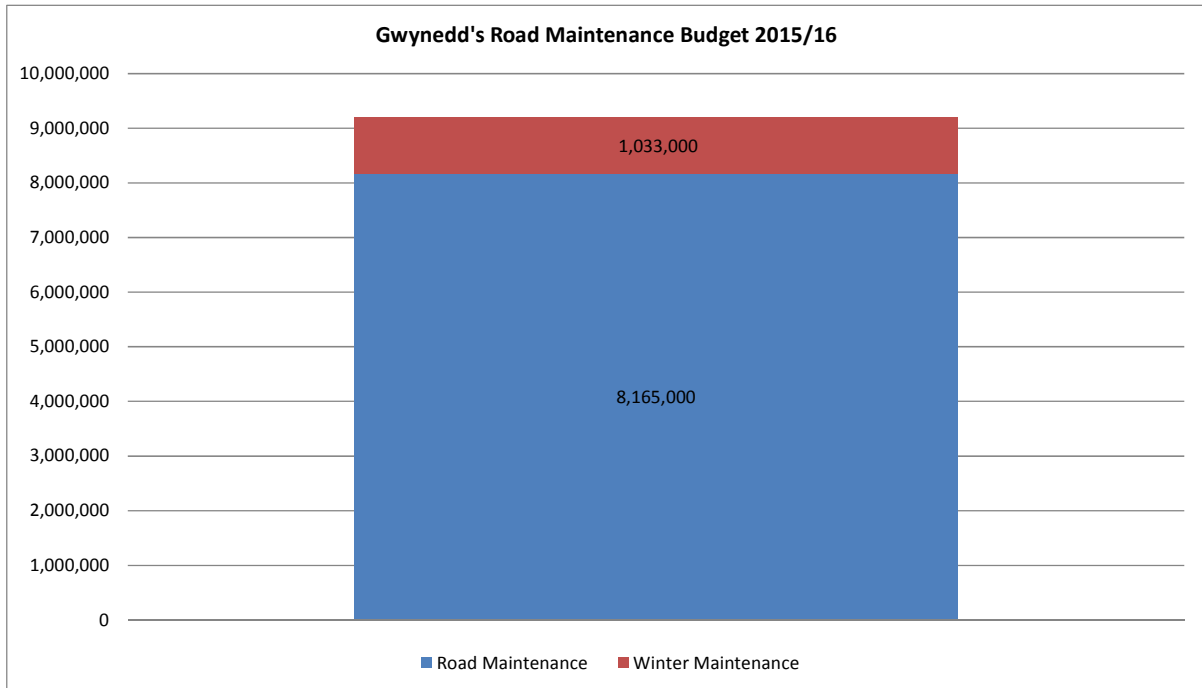
#### Comparison of insurance claims made against the family of Councils over a 4 year period (2011/12 to 2014/15)

Authority	Claims	% Refused Claims	% Open Claims	% Settled Claims	Cost per Claim	Claim costs as % of Highways Budget (structural maintenance)	Claim costs as % of road maintenance budgets
Gwynedd	263	75.15%	13.32%	11.53%	£2,159.56	0.33%	0.21%
Anglesey	328	76.93%	13.48%	10.02%	£956.47	0.24%	0.17%
Conwy	300	70.87%	17.26%	11.86%	£3,361.87	2.09%	1.11%
Denbighshire	290	52.94%	38.39%	8.67%	£2,348.08	1.05%	0.41%
Powys	454	68.41%	13.22%	10.59%	£897.75	0.37%	0.18%
Ceredigion	84	63.70%	15.17%	21.12%	£13,008.78	0.86%	0.46%
Pembrokeshire	401	55.08%	10.59%	34.33%	£1,507.30	1.28%	0.69%
Carmarthenshire	323	67.94%	27.30%	4.76%	£2,292.29	0.26%	0.15%
Monmouthshire	332	62.67%	18.76%	18.57%	£2,133.83	1.89%	0.95%

- 4.3.4 This information confirms the fact that Gwynedd Council is among the lowest in terms of the number of claims against us and manages to defend a high percentage of those claims compared with other councils in the family. However, there is no evident patterns from the information submitted proving that there is a link between road standards, expenditure on road maintenance and the number of insurance claims or successful claims made.

**4.4 Are we using the budget in the most efficient way?**

4.4.1 A summary or analysis of Gwynedd's Road Maintenance budgets for 2015/16 are provided in the graphs below.



4.4.2 The budget for internal work is £4.90m in 2015/16 with an anticipated 90% involving surface dressing work on the County's roads. The rest of the work undertaken by the internal workforce tends to be responsive in nature such as repairing potholes and patching work.

4.4.3 Work undertaken by external providers has a budget of approximately £2.53m in 2015/16. In order to provide a reflection of this budget's distribution, the table below includes a summary of actual expenditure in 2014/15 (note that expenditure can vary from year to year and the fact that there was a cut of £250k in the budget from 14/15 to 15/16).

External Work	£
Bridges and Structures Maintenance Work	£841,900
Capital structural maintenance work such as rebuilding, overlaying and resurfacing roads	£1,435,880
Current structural maintenance work such as programmed repair work, trunk roads, drainage pipes and anti-slip treatment *	£217,630
Usual maintenance work such as grass cutting, managing weeds and road markings/studs *	£237,790
Maintenance Inspections	£48,890
<b>TOTAL =</b>	<b>£2,782,090</b>

\* - It is noted that most of the activities noted under these headings in the budget are essential and specialist work.

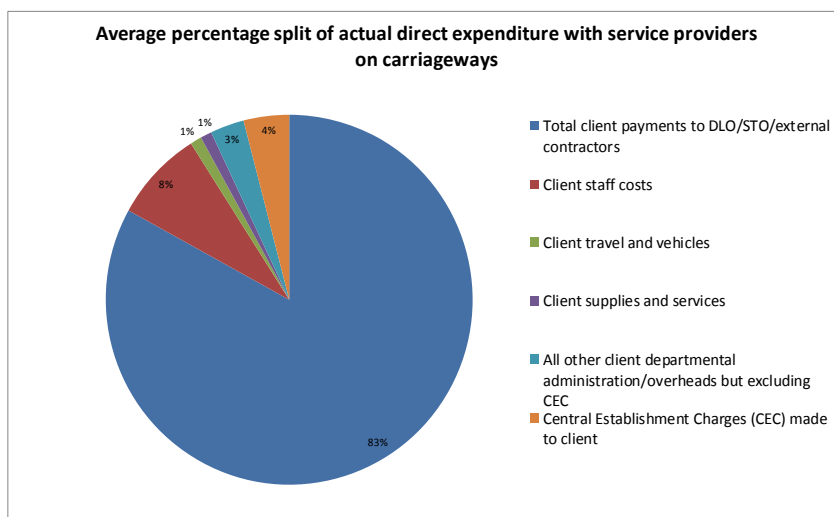
4.4.4 In 2015/16, the budget for managerial elements and inspection arrangements that are associated with the highways maintenance budget is £1.28m (A comparison of the managerial elements etc. can be viewed in part 4.6 of the report). This budget includes elements such as the cost of Engineers and Inspectors in every area, transport, Inspection/Design Fees and costs of the Fleet Unit.

**4.5 How do internal work rates compare with other authorities and private providers?**

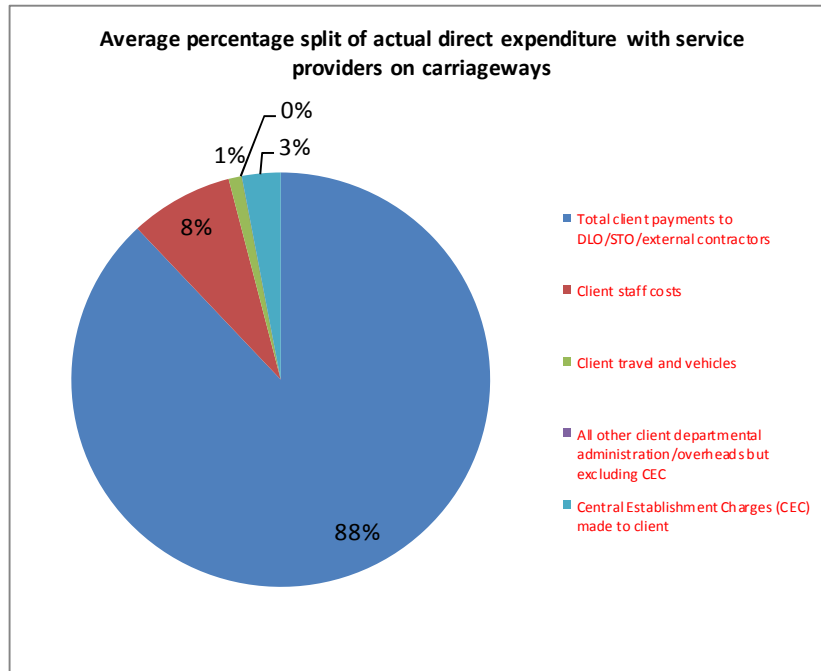
**4.5.1 APSE report on actual expenditure by service providers on roads**

4.5.1.1 The following graphs show the difference between the distribution of the average percentage of direct expenditure by service providers on roads in a study undertaken by APSE of over 60 local authorities across the United Kingdom and the situation in Gwynedd Council. The graphs indicate that the percentage of direct expenditure on administration/overheads and client services and supplies are lower within Gwynedd Council compared with the average of the authorities that participated in the study, with a higher percentage of the direct expenditure going to those who provide the service.

**APSE Study**



## Gwynedd Council's Situation



### 4.5.2 Schedule of Rates

- 4.5.2.1 Maintenance work set for the internal workforce is done by using "contract" principles (Highway Term Maintenance Contract) where the provision is ran based on commercial principles. There is a specification to the contract in terms of the work standard expected and a standard 'Schedule of Rates' is used to identify elements of the work and for the purpose of identifying prices (unit rates). This work is arranged via an electronic order, which identifies the work elements that need to be undertaken in the Schedule of Rates. When completing the work, and following confirmation of the exact measure, payment will be made electronically to the Works Unit, and an adjustment will be made to the Department's Budgetary Commitments System at the same time.
- 4.5.2.2 Briefly, a Schedule of Rates is an analysis of all the work, standards, terms and action steps relating to any piece of work undertaken by the service. This ensures consistency and fair valuation for every necessary element in order to complete a piece of work. In doing so, the service provides assurance to the customer regarding what they have paid for, and a clear awareness of what they will ultimately receive.
- 4.5.2.3 The service values every tender work against the Schedule of Rates in order to be consistent, transparent and competitive.
- 4.5.2.4 In the past, the Schedule of Rates developed by Gwynedd Council was used by the Trunk Road Agency to commission trunk road maintenance work by any one of the seven counties that are part of the Agency.
- 4.5.2.5 In 2012, of the list of 20 main items from the North and Mid Wales Trunk Road Agency on the 'schedule of rates' for usual and reactive maintenance work, Gwynedd Council's average rate was in position 2.9 out of the 6 partner authorities (price had been provided on a joint basis by Ceredigion and Powys).

### 4.5.3 Trunk Road Agency Benchmarking Review

4.5.3.1 The Benchmarking Review undertaken by the Agency in April 2015 indicates that Gwynedd Council rates continue to be among the lowest from the 7 Counties that are part of the partnership in terms of cyclical work costs (cleaning gullies, grass cutting, weed killing, traffic management etc.) on single roads on the trunk road network.

	CEREDIGION	CONWY	DENBIGHSHIRE	FLINTSHIRE	GWYNEDD	POWYS	WREXHAM
Total km Single	114.51	88.57	57.37	5.00	195.89	414.28	4.00
Total Single cost	181,970	54,277	67,810	14,304	216,869	868,210	5,700
Rate/km (Single)	1,589	613	1,182	2,861	1,107	2,096	1,425
Total km Dual	-	87.39	33.49	101.39	18.31	13.65	50.47
Total Dual cost	-	175,024	61,313	203,884	61,013	29,279	228,848
Rate/km (Dual)	-	2,003	1,831	2,011	3,333 *	2,145	2,267

\* At the time of undertaking the review, Gwynedd's rate for work on dual carriageways was high due to the fact that work on dual carriageways had to take place during the night and workforce terms meant that additional payments needed to be undertaken for that. By now, our arrangements have changed which means that we can avoid making overtime payments and as a result the rate is down to £2,785 and it is expected that changing grass cutting arrangements (undertaken by a private contractor) is likely to bring the rate down further.

4.5.3.2 The same report noted that the Council's rates for responsive work (patching work, dealing with accidents and work on safety fences) are also relatively low (position 2 or 3) compared with partner authorities (Appendix 7) and are similar to private sector rates (or lower in the case of work on safety fences).

## 4.6 Are our arrangements for inspecting/managing and prioritising work appropriate or not?

### 4.6.1 Road Maintenance Standards: Highways Asset Maintenance Plan (Well Maintained Highways)

4.6.1.1 The Highways Asset Maintenance Plan was adopted by the Council in 2010 which establishes standards, guidelines and a strategy for maintaining the County Roads of Gwynedd. It was formulated in order to meet the Good Practice Code (national) to Maintain Highways in a Good Condition but it has been tailored for the maintenance requirements of our County Roads in Gwynedd.

4.6.1.2 The main purpose of the Plan is to ensure the consistent use of standards and strategy for maintaining highways throughout the County and in order to safeguard and improve the related assets for the future. The guidelines and priorities are based on risk assessments on safety, service and condition and have been designed to be sustainable and affordable in the context of current budgets and resources.

4.6.1.3 There is a number of advantages from implementing such a scheme including:

1. Ensuring consistency of standards in County Road maintenance throughout Gwynedd

2. Ensuring that appropriate standards are implemented to maintain assets to a good standard for the future.
3. Encourage use of asset management planning as a way to demonstrate value for money when maintaining highways.
4. Assist with defending the Council from claims by confirming and formalising priorities, standards and what is expected and reasonable to complete as resources and circumstances allow.
5. Provide a safe, useable and sustainable roads network.

4.6.1.4 The Head of Department noted that Gwynedd Council is the only authority in Wales that implements such a scheme.

#### **4.6.2 Current arrangement to prioritise road maintenance work**

4.6.2.1 Responsive work on road defects is prioritised and arranged based on a risk assessment following Safety Inspections, with inspections undertaken regularly at a frequency that depends on roads hierarchy. Any road defect will be recorded and based on risk it will be recorded as requiring attention/to be made safe within 24 hours (Category 1), or as Category 2, namely defects that are not as 'dangerous' for users and that could be repaired within another timetable (which depends again on risk). A matrix is available in the Asset Plan for this.

4.6.2.2 Programmed, preventative work is prioritised based on information about Category 1 and Category 2 defects from the Safety Inspections, as well as information from Technical Inspections - mainly information from a Scanner inspection (which identifies the structural strength of the road to hold traffic, to identify cracks, surface quality, dips etc.) or Griptester (which identifies whether the road surface is too slippery and where there is a risk of skidding). The findings of these inspections will be the basis for prioritising any preventative work.

4.6.2.3 The Highways Asset Maintenance Plan includes a preventative arrangement based on frequency to treat different road categories. At the moment, every Area (Arfon, Dwyfor, Meirionnydd) implements the arrangement in terms of preventative work in accordance with the highways maintenance budget which historically has been allocated based on the length of roads in the Area.

4.6.2.4 PMS (Pavement Management System) is computer software that assists to prioritise preventative work based on information from all inspections and based on what treatment would be most cost effective to use. With the ability to use PMS for the A, B and C roads network in the County, it is possible to prioritise based on need on a County level.

4.6.2.5 It is not possible to depend on Technical Inspections to identify and prioritise work on Unclassified roads as it is not possible to undertake a Scanner inspection on them due to their width. Preventative work on Unclassified roads will be prioritised based on identifying defects from Safety Inspections and/or where locations require regular and expensive patching and re-patching work. Often, locations will require programmed treatment on Unclassified roads which will be subject to attention and complaints from residents, Local Members and specifically Community and Town Councils. As many of these locations are on the Area's Work Programme in any financial year, timing completion of the work totally depends on its specific budget.

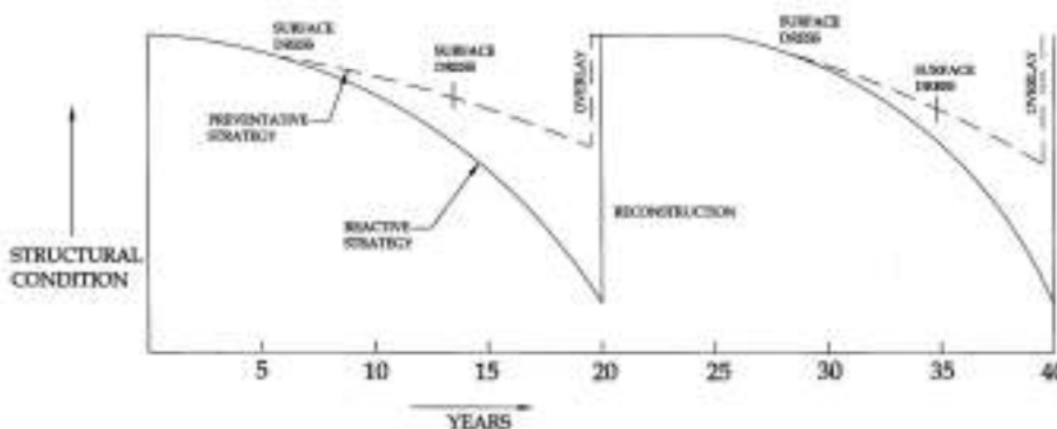
4.6.2.6 There are exceptions to the arrangement of prioritising programmed, preventative work for roads, namely:

1. responding to substantial damage due to flooding, extreme weather, land erosion or landslides.
2. timing and co-ordinating maintenance work under the Street Works Act with Statutory Contractors such as electrical, gas, water or communication companies.
3. when there is a financial contribution towards the work from developers or Statutory Contractors under the Highways Act or Street Works Act.
4. when costs of road maintenance work are reclaimed under Section 59 of the Highways Act due to damage from extraordinary traffic deriving from other activities e.g. forestry.

### 4.6.3 Preventative Work Programme

4.6.3.1 In order to ensure the performance of the highway network in terms of safety, deliverability and sustainability, Gwynedd Highways have established a programme of preventative work rather than responsive maintenance work (although, some responsive work will unavoidably be undertaken). Maintenance work on Gwynedd highways assets is prioritised and arranged in accordance with the Highways Asset Management Plan which was adopted by the Council on 13 July, 2010. It is based on 'Well Maintained Highways' standards, namely a national Good Practice Code. The purpose of the Plan is to ensure consistency when realising appropriate standards and is for the purpose of encouraging use of asset management planning to reduce the cost of maintaining roads over time and in future. Gwynedd Council is one of very few Councils in Britain that implements such Asset Plans.

The following diagram shows the programme in force:



4.6.3.2 It can be seen clearly that the condition of the road structure substantially deteriorates over a 20 year period. A surface dressing strategy identifies the need to surface dress a road after 7 years, which protects the standard of the road for a longer time.

In order to recognise the efficiency of this process, see the following example:

- A road that is 1km long a 5m wide.
- Cost of resurfacing is £15/m<sup>2</sup> (need to resurface in year 20)
- Surface Area 5000m<sup>2</sup>

#### Preventative Strategy

First treatment 5000 m <sup>2</sup> @ £15/ m <sup>2</sup>	£75,000
Surface dressed after 7 years. 5000 m <sup>2</sup> @ £1.60m <sup>2</sup>	£8,000
Surface dressed after 14 years. 5000 m <sup>2</sup> @ £1.60/m <sup>2</sup>	£8,000
<b>Total</b>	<b>£91,000</b>

Reactive Strategy

First treatment 5000 m2 @ £15/m2	£75,000
Patching work (average 10%) between 7 and 10 years 1000m2 x £20	£20,000
Resurface after 10 years 1000m2 x £15/m2	£75,000
Patching work (average 10%) between 7 and 10 years 1000m2 x £20	£20,000
<b>Total</b>	<b>£190,000</b>

4.6.3.3 The reason behind this is; if the road surface is not sealed, the surface opens as the bitumen in the tar weakens. Water will trickle into the road foundations, it freezes in winter which causes the road to crack and create holes.

4.6.3.4 Once this happens, although patching work was undertaken, the piece surrounding the patches is weak and therefore, will become another hole soon afterwards.

4.6.3.5 Surface dressing strengthens the road with bitumen and stones, and seals the road. The process can be followed twice as noted above and will give a lifespan of 20 years to the road surface.

4.6.3.6 If this method is not used, the road will deteriorate, major patching work will be required after 7 years and resurfacing after 10.

**4.6.4 Staffing Levels**

1.1.1.1. As part of the review, the staffing level on maintaining County Roads within Gwynedd Council was examined, and how these levels compare with a similar service (North and Mid Wales Trunk Road Agency) and other counties within the family (Councils A and B). Further information can be viewed in Appendix 8.

1.1.1.2. The information suggests that this is comparable with similar counties within the family with 27 staff members in Council A (where officers also have other responsibilities). When examining the comparison between Council B, it is also noted that levels are comparable with the road distance/staff member similarity 142km in Gwynedd compared with 124km in Council B and the work/staff member similarity £532k compared with £530k.

1.1.1.3. Although we have attempted to compare staffing levels with other similar Councils, it is important to note that work arrangements and business models differ from one Council to another.

1.1.1.4. In terms of the internal workforce that completes the work, it's important to note that the size of the workforce has been kept on a required level in order to be able to maintain the gritting routes on highways in the County during periods of ice and snow. During the rest of the year, this workforce undertakes other elements of road maintenance by mainly focusing on surface dressing work on the County's roads along with work of responsive nature such as filling potholes and patching work. This element is very important in order to respond to emergencies such as flooding which is becoming more and more frequent.



#### **4.6.5 Quality Assurance Accreditations**

4.6.5.1 The Council has full up-to-date accreditations from BSI in Occupational Health and Safety Quality Management System OHSAS 18001 and Environmental Management System ISO 14001 to provide a road maintenance service. In addition, the Department has a full accreditation in Quality Management System ISO 9001 to Operate and Maintain Roads which includes:

- setting, maintaining and removing traffic management measures (all relevant road categories).
- designing, installing and repairing safety fencing (Vehicle Restraint Systems) - for the 6 relevant system types.
- installing and maintaining electrical work on roads e.g. street lighting, traffic signage etc.
- designing, providing and installing surface dressing materials on roads.
- providing a winter maintenance service.

4.6.5.2 We are not aware of any other road authority in Wales that has received all of these accreditations to provide road maintenance activities.

#### **4.6.6 Workforce Response**

4.6.6.1. As has been already mentioned, a number of engagement sessions were held with Service staff as part of the Strategic Review and a number of matters which affected service efficiency were highlighted.

4.6.6.2. In looking to the future, staff acknowledged that more focus was required on roads that had the greatest need (i.e. the greatest use), and less focus on roads in the countryside that do not carry a lot of traffic. Staff believed that more focus was needed on road infrastructure over the next 5/6 years, in order to maintain high standards, instead of undertaking expensive patching work. In the same manner, it was suggested that allocation of the budget across Gwynedd per area needed to be reviewed, and consider establishing one budget for the entire county.

4.6.6.3. Staff also noted that they viewed the relationship between the provider and the customer as a confusing one, and fewer links in the chain were required. Another regular message that derived from the engagement was the need to improve communication between managers and staff, and that staff get the opportunity to express opinions on how things work. In addition, it was suggested that the public's understanding of the work the Council does needed to be strengthened, so that they understood the rationale behind the timing and arrangements of maintenance work.

#### **4.7 Outcome - Are we Efficient?**

4.7.1 Information regarding Gwynedd's Road Maintenance budget indicates that the County's budget has been between £1,000 and £1,300,000 per year more than the median for the rest of the family's councils during the period between 2008/09 to 2015/16. Also, when looking at this budget per km, the amount for Gwynedd has tended to be more than the majority, as it was in 2nd or 3rd position during the period.

4.7.2 However, it is noted that road standards in Gwynedd are high compared with the rest of the family's councils. Information submitted in the report shows that the average % of roads (class A, B, C) that fail in Gwynedd has been the lowest among the family's councils since 2011/12.

- 4.7.3 The Winter Road Maintenance budget shows that there has been a reduction in the Council's budget level compared with the rest of the family's councils and that the level is now about the same as the median while no difference can be seen in quality.
- 4.7.4 The Council has adopted a Highways Asset Maintenance Plan (based on the Well Maintained Highways handbook) for some years now to ensure consistent maintenance standards for the County's highways and Gwynedd is the only County in Wales that has adopted such a plan. As part of the plan, a preventative work programme has been adopted which involves surface dressing the road every 7 years meaning that it strengthens the road surface and extends its lifespan and period when resurfacing is required which in turn saves money. This is deemed good practice and this will need to be considered when drawing up recommendations from the review while trying to avoid any negative impact on this programme.
- 4.7.5 The work of comparing the main items on the schedule of rates in 2012, and information on cyclical and responsive work rates on the trunk road network within the Benchmarking Review undertaken by the North and Mid Wales Trunk Road Agency, shows that Council rates compare quite favourably with the rest of authorities that undertake work for the agency along with private sector providers.
- 4.7.6 It was also noted that the service had managed to secure a UK Highways contract to care for the A55 for 18 years, that they have pricing systems in place that effectively manage a budget, that the work completed complies with ISO quality assurance standards, and that other councils were starting to adopt Gwynedd systems / templates.
- 4.7.7 It can be difficult to compare staffing levels between different authorities due to the fact that some officers have additional responsibilities to care for the highways. However, information provided regarding Gwynedd Council staffing levels is similar to staffing levels in Councils A and B to deliver the same services.
- 4.7.8 The engagement work with staff identified a number of matters that would make the service more efficient. The fact was highlighted that internal procedures can be bureaucratic such as the internal invoicing system and the fact that a number of steps needed to be followed and authorised before work could be completed, regardless of how small the task in hand. In addition, it was highlighted that steps could be taken to improve service efficiency by taking steps such as rationalising the standby system and empowering workers to act on minor maintenance work without having to receive an instruction to do so.
- 4.7.9 It's clear that our current arrangements for maintaining bridges and structures don't meet the requirements and guidelines of the code of practice that exist for them. Consequently it raises questions as to whether we are dealing with all the county road system in the most efficient manner and it may be more appropriate to move to a system of risk-based prioritisation of work.

## 5. Options for the Future...

- 5.1 The review indicates that Gwynedd Council has the 2nd highest Road Maintenance budget among the family's Councils per km in 2015/16 and it has remained in the 2nd or 3rd position since 2008/09 (except 2013/14 when it was in 4th position). While the difference between Gwynedd's budget level and the median was relatively stable on an average of £920,000 higher during the period between 2008/09 to 2011/12, it has varied from £1,000 to approximately £1,300,000 during the 2014/15 year.
- 5.2 However, having said this it is important to note that road standards in the County are high and since 2009/10 the average % of road failings have been among the lowest compared with other counties within the family although the trend over the last few years has noted some increase. The high standards of County roads are reflected in the responses received in the Ipsos Mori satisfaction survey, the Citizens' Panel and also the Service staff.
- 5.3 In an ideal world, it is recognised that it would be beneficial to continue to keep the budget on the same level as it has been over the past few years as evidence shows that this leads to roads of a high standard. However, in the current climate it must be acknowledged that this is going to be very difficult to do this and the situation is common across all Councils in Wales.
- 5.4 Is it possible to identify savings by being more efficient?**
- 5.4.1 By looking at the comparable information submitted within the report, nothing currently suggests that we would benefit as an authority from considering externalising the highway maintenance provision to an external company. However, a number of points have been highlighted as part of this review that would improve the efficiency of the internal provision and it is suggested to initially address these matters.
- 5.4.2 The comparison of staffing levels that work on Road Maintenance is comparable with Councils A and B although a number of staff have wider responsibilities than road maintenance alone. Similarly, maintenance work rates of the internal workforce are comparable with other authorities in Mid and North Wales.
- 5.4.3 A number of matters that should be considered in order to provide a better service were highlighted in the staff engagement sessions held during September/October 2012. The fact was highlighted that the service had an internal procedure that could be bureaucratic such as the internal invoicing system and the fact that a number of steps needed to be followed and authorised before work could be completed, regardless of how small the task in hand. In addition, it was highlighted that steps could be taken to improve service efficiency by taking steps such as rationalising the standby system and empowering workers to act on minor maintenance work without having to receive an instruction to do so.
- 5.4.4 As part of the engagement, it was also noted that it would be possible to share staffing resources between highways and municipal during periods of emergency and it is suggested that this could be investigated to establish whether it would be possible and if there would be a need to maintain staffing levels on the same level as a result or if it would be possible to reduce it.
- 5.4.5 Another issue highlighted during staff engagement, which is also evident from the budget, is the fact that the budget is still divided between the 3 areas and is based on the number and length of roads rather than use. It might make more sense to have a central budget for the

County and prioritise based on risk or condition of the roads without considering location thus ensuring better use of resources across the County. It is understood that the service intends to introduce a system that will prioritise budget allocation based on condition/need in future and it is suggested that this system should be introduced as soon as possible.

- 5.4.6 In order to try to address these points, take advantage of any efficiency opportunities and improve the service provided, **it is suggested to undertake a review of the service as part of the "Equipping Units to Implement Ffordd Gwynedd" Project.**
- 5.4.7 Over the last few years, priority has been given to maintain the standards of our roads but our inspection and assessment arrangements for bridges, retaining walls and culverts now do not meet the requirements and guidelines of the code of practice that exists. Evidence shows that this is common with the situation within other authorities across Wales that were contacted as part of this review but clearly, a financial and legal risk is associated with non-compliance with the guidelines and the code of practice.
- 5.4.8 There is a need to consider which option the Council is eager to follow in future in terms of an inspection procedure for these structures:
1. **Continue with the current system (bridges)** - Continue with the current system of prioritising bridges based on risk. Although attention will be given to bridges based on risk, no attention is given to retaining walls and culverts that are likely to lead to a further increase in expenditure on responsive work.
  2. **Move to a procedure based on risk (bridges, retaining walls and culverts)** - This would involve a one-off investment of approximately £104,000 in order to ensure that information about all structures is up-to-date and then annual costs of approximately £194,000 a year to undertake inspections on the structures based on risk. This would lead to efficiency savings of approximately £52,600 a year (£246,600 (14/15 budget) - £194,000). Although it does not fully comply with the guidelines and code of practice, it would reduce the associated risk for the Council by ensuring that clear and definite arrangements are in place to target and establish the main risks. This should also lead to a reduction in responsive work and an increase in programmed work as a result of identifying the main risks. Should this option be selected, one-off resources worth £104,000 will need to be earmarked to ensure that information about the structures is up-to-date.
  3. **Move to a procedure of complying with the guidelines and code of practice (bridges, retaining walls and culverts)**- This would mean full compliance with the guidelines and code of practice that exist but cost would be associated with inspections worth approximately £795,000 per annum.
- 5.4.9 Clearly, selecting option number 3 as an inspection procedure for structures such as bridges, retaining walls and culverts is not an option as available resources do not allow us to do so unless we divert substantial funds from road maintenance.
- 5.4.10 Continuing with the current system of only prioritising bridges based on risk is not likely to be sustainable either due to the fact that no attention will be given to retaining walls and culverts which is likely to lead to an increase in responsive work costs in maintaining those structures. **As a result, it is suggested that the second option outlined above should be implemented.**
- 5.4.11 The responsibility for road maintenance and maintenance of bridges, retaining walls and culverts has been located in 2 different Departments within the Council. In order to ensure

that we take a whole system approach for all road structures in the County **it is suggested that the responsibility for Bridges and Structures is moved from the Regulatory Department to the Highways and Municipal Department.** This would mean that only 1 Department would be responsible for all road structures in the County which would mean that resources could be prioritised by considering all structures.

- 5.4.12 It has already been mentioned that the size of the internal workforce has been kept on the required level to be able to maintain the gritting service on highways during periods of ice and snow and that they are responsible for undertaking other elements of road maintenance work for the remainder of the year. As part of the work, we tried to establish where the 'line' existed where any reduction in budget would lead to not enough work for the internal workforce over the summer months.
- 5.4.13 A figure of £1,500,000 was used as one of the options in the Her Gwynedd consultation with inhabitants on the budget cuts. According to the Head of Highways Department, should there be a reduction of more than £1.5m in the road maintenance budget, the budget that is essential for surface dressing roads (namely the process of sealing road surfaces to extend their operational lifespan, and improve surfaces to prevent slippages and accidents) would have to be cut. This is due to the fact that it would not be possible to cut the budget for external work further as a value of approximately £500,000 of this work is essential and specialist in nature (such as applying anti-slip treatment, specialist work on trees and installing road markings).
- 5.4.14 Currently, road surface dressing work is undertaken by the internal workforce during the summer months and should there be a budget cut it would likely mean that there would not be enough work for them during the summer months. It would not be possible to transfer the work elements referred to above to the internal workforce either due to its essential nature and the fact that it would not be practical to do so and/or no business case exists. On the other hand, reducing the size of the internal workforce would mean that the Council does not have provision on a sufficient level to provide an effective winter maintenance service and dealing with extreme weather in future.
- 5.4.15 It is noted that the difference between Gwynedd Council's expenditure level and the median and the Winter Maintenance budget has reduced over the last few years and is not comparable with the family's councils. In addition, feedback from engagement sessions held with different groups confirms that the service is of high standard and consequently, it is suggested not to consider reducing this budget.

## **5.5 Is it possible to reduce the financial requirement by accepting a lower standard on our roads?**

- 5.5.1 It has already been noted that the Council has had one of the highest budgets among the family's Councils but evidence also shows that we have benefitted from high standard roads as a result of that investment. The basic question in the current financial climate is can we reduce our investment on maintaining roads in Gwynedd while attempting to keep any impact on users to a minimum and to which level the Council wish to do so.
- 5.5.2 Bearing in mind the current situation and comparison with other Councils, the level of reduction in road standards that are acceptable for the Council is a matter of political opinion. As noted, the work and comparison with the family's Councils suggests that there is scope to reduce the Road Maintenance budget by closing the gap on the family's median

and in the current financial climate it is inevitable that other Councils will examine their own road maintenance budgets and are likely to cut them.

5.5.3 Therefore, it has to be asked what is the maximum we can remove from the budget when receiving a service of lower standard. It is also important to note, and consider, that reducing the budget can mean that we cannot implement the preventative work programme which was referred to earlier in the report. In turn, this could lead to increased responsive costs of maintaining our roads in the long term, and perhaps one way of trying to manage this would be to reduce the budget for a period of time with a view to increasing the budget again and/or using the capital budget to restore the situation when the financial climate improves?

5.5.4 Having considered these factors, options have been outlined below to reduce the Council's Road Maintenance Budget if the Council wish to do that along with potential side effects:

**1. Maintaining the budget at the current level**

*Side Effects:*

It is noted that maintaining the budget at the current level would not be sufficient to prevent a deterioration in the structural condition of our roads in general. However, the deterioration in the condition of roads would be on a much smaller scale than what is highlighted in the following options.

**2. Reducing the Road Maintenance budget by approximately 5.5% - Annual Savings of £500,000**

*Side Effects:*

- Not resurfacing the County's Unclassified roads and adhering to a programmed deterioration of about 1% annually in the condition of remaining roads.
- Likely increase in work responding to defects as a result and specifically on Unclassified roads.
- Possible increase in claims against the Council in terms of Unclassified Roads
- Will affect our 'more rural' roads and local access roads. Not resurfacing Unclassified roads (namely 1260km of the County's less busy roads).
- It is anticipated that this would lead to the following profiles in the standard of the County's roads that are not defective.

Class	% not defective			
	2014/15	2015/16	2016/17	2017/18
A & B	96.4	95.4	94.4	93.4
C	85.8	83	80	77
Unclassified Roads	77	73	69	65

- Based on the above, and if all other Councils remained the same, the condition of our roads would be the 2nd worst out of the 9 rural areas in Wales.

**3. Reducing the Road Maintenance budget by approximately 7.5% - Annual Savings of £674,000**

*Side Effects:*

- Not resurfacing the County's Unclassified and Class C roads and adhering to a programmed deterioration of about 1% annually in the condition of Class A and B Roads.

- Likely increase in work responding to defects as a result and specifically on Unclassified and Class C Roads.
- Possible increase in claims against the Council in terms of Unclassified and Class C Roads
- Will affect 80% of the roads network, namely rural and local roads that connect our villages and suburbs (edge of towns) and the main roads network. Only responsive work (filling potholes and patching) will take place on these roads.
- General deterioration in the standards of the County's roads.

**4. Reducing the Road Maintenance budget by approximately 17% - Annual Saving of £1,500,000**

Implementing this option would mean that the Council's Road Structures Maintenance budget would reduce to a similar level to the median for the family's authorities.

*Side Effects:*

- Resurfacing work on County Roads not undertaken.
- Likely increase in work responding to defects as a result on all County roads (there will be a need to consider the increased budget for the purpose of responsive and regular maintenance work)
- Potential increase in insurance claims. It is difficult to provide a value/figure for what is anticipated as an increase in terms of claims, but it would be likely to increase with a more reactive - instead of proactive - arrangement on roads. A robust procedure of regular inspection and monitoring, recording and timely action is a good defence against claims.
- Without the resurfacing budget, there will be no reserve funding during the year to respond and deal with damage as a result of severe weather such as strong winds and flooding.
- It can create long term problems and costs in terms of dealing with roads that are structurally defective. This is contrary to the procedure of planning the County's asset management in order to reduce the cost of maintaining them over time and in future.
- We would not comply with the Council's Highways Asset Maintenance Plan nor the National Good Practice Code to maintain highways.
- General impact throughout the County on providing a safe, useful and sustainable roads network.
- Only responsive work (filling potholes and patching) will take place on the entire roads network.
- It is anticipated that this would lead to the following profile, which represents a substantial deterioration in the standard of the County's roads:

Class	% not defective			
	2014/15	2015/16	2016/17	2017/18
A & B	96.4	95.4	92.1	88.8
C	85.8	83	80	77
Unclassified Roads	77	73	69	65

- Based on the above, and if all other Councils remained the same, the condition of our roads would be the 2nd worst out of the 9 rural areas in Wales.

**5. Reducing the Road Maintenance budget by approximately 22% - Annual Saving of £2,000,000**

As well as the side effects that have already been noted in options 1, 2 and 3 outlined above, implementing this option would affect our ability to complete work that is essential to maintain our roads.

*Side Effects:*

- The budget for the road dressing programme (namely the process of sealing road surfaces to extend their operational lifespan, and improve surfaces to prevent slippages and accidents) would have to be halved.
- Without this work, staffing levels and resources of the internal workforce would be under threat.
- Should there be a reduction in staffing levels of the internal workforce, it could affect our ability to provide appropriate winter maintenance service and to respond to emergencies and severe weather impacts.
- Further and faster deterioration in the standard of our roads if the surface dressing programme is reduced.

In addition, it is noted that all options are likely to have a negative impact (to different degrees) on posts, on local suppliers and contractors and on the users.

As we have already noted, there is an option to select one of the cuts suggested above for a specific period of time, and committing to restore the situation after this period by using capital funding or increasing the budget back to a comparable level. Clearly, there would be a reduction in the levels of County roads' standards during the period in question which could lead to increased responsive costs in the long term.

At a time of adequate resources it's likely, considering the relative quality of our roads, that we would want to keep the current level of service. It's a matter of prioritising the options above against all the alternatives facing the Council in terms of cuts and therefore there is no specific recommendation in the Review – it only clearly identifies the options.