

HIGHWAYS SERVICE REVIEW ~ UPDATE

1. INTRODUCTION

Network Details

The length of highway network maintained in Carmarthenshire at 3343km or 2085 miles (Lands End to John O Groats ~ 2 and a half times !) is the second largest in Wales, and is more than double the Welsh average of 1566km. It also has the second largest length of Class 1 roads in Wales second only to Gwynedd. The highway asset consists of some 16 million square metres of carriageway.

Current Budget Allocation

The Highway Services revenue budget for 2015-16 is circa £8.1million. Capital funding of £250k has been agreed for the current year for highway resurfacing schemes in accordance with the 5 year capital budget plan.

Asset Value

The highway asset is currently valued at £2.68 billion based on the 2014/15 WGA asset valuation return with annual depreciation assessed at £26.6 million. This figure relates to the carriageway only and is calculated from annual asset valuation based on CIPFA (Chartered Institute of Public Finance & Accountancy) code of practice for Whole of Government Accounts (WGA).

Cost / Km

The overall level of expenditure on carriageway maintenance in Carmarthenshire (£/km) is generally lower than the Welsh and UK averages and also that of our neighbouring authorities. This lower level of investment can be directly linked to the overall condition of the highway network, with insufficient corrective or preventative maintenance funding in place.

Continued levels of deterioration are anticipated with the end of Local Government Borrowing Initiative (LGBI) from 2015/16 and further reductions in revenue and capital maintenance funding.

The average investment in £/km for road maintenance across a group of similar authorities in England, Scotland & Wales (as collated by APSE for the period 12/13) was £7,149/km. The Welsh average that year was much lower at £4,124 with Carmarthenshire lower than average at £4,007/km. This figure has reduced year on year to an estimated investment of £2,826/km in 14/15 including Grant funds (LGBI) of £1.45m.

In 2015/16 the investment in Carmarthenshire will reduce to an estimated figure of £2424/km which takes into account the reduced budget provision.

Condition of the highway asset & investment to date.

As a result of the recent LGBI funding we have seen a further improvement in the condition of our Class A, B & C roads during 2014/15 with 11.9% of our roads in a poor condition, compared to 15.7% in 2013/14. With Class A roads improving from 4.7% to 4.3%, Class B from 5.5% to 3.6% and Class C from 20.4% to 15.6%, despite this improvement our combined result remains in the bottom quartile. The combined PI for the A,B and C class roads in terms of the national performance indicator has reduced from 15.4% in 12/13 to 11.9% in 14/15. The higher the percentage correlates with a greater extent of deterioration.

In Carmarthenshire, the LGBI investment on carriageways has been: 12/13 ~ £3.59M; 13/14 ~ £1.3M; 14/15 ~ £1.45M. The additional funding from LGBI can be seen to make a direct impact on the overall condition of the network. However with the cessation of this external funding it is inevitable that we will see continued levels of deterioration in the highway asset.

The LGBI investment in Carmarthenshire was primarily targeted at A&B roads as outlined above. Investment in Class 3 roads in the final year would appear to have assisted with a recovery from 21.8% in 2012 to 15.6% in 2014 however this figure is significantly higher than target level of around 8%. Timely investments need to continue on all classes of road to prevent a reversal in these trends, with some increased focus on Class 3 roads. Investing in programmes of planned cost-effective long-term preventative maintenance will help avoid widespread failure of the road construction that will ultimately be more costly to repair. We need to consider that recent Winters have been relatively mild and any short term recovery is still vulnerable to rapid deterioration should we experience any hard winters.

Backlog of maintenance work

The scale of backlog is such that there is a large (**£18m**) programme of capital maintenance work identified as part of a rolling programme of maintenance. This programme is increasing. The only capital investment or funding mechanism currently allocated for highway resurfacing is £250,000 per year for the next 4 years. This is a significant shortfall compared to previous levels of investment under the LGBI scheme. Clearly this level of funding will not address the long term aspirations of improving the serviceability, availability and safety of the network.

Without sufficient capital investment, the level of backlog (valued at **£54** million) will continue to grow and the network condition will deteriorate further. The backlog of highway maintenance repairs will become much more expensive to address and could lead to sections of the network being subject to restrictions or in the worst case scenario road closures which will affect economic development and tourism. This aspect of maintenance is identified as high risk to the Authority and has been included in the Streetscene Divisional Business Plan 2015-16.

Future budget cuts

Providing funding for planned maintenance will assist the authority in meeting its statutory requirements under the Highways Act 1980 and significantly supports the County

Council's corporate objectives of Integrated Community Strategy. There will also be a reduction in reactive maintenance and revenue costs to assist in meeting on-going PBB targets.

The proposed PBBs for the next 2-3 years will see a further reduction of some £1million resulting in a revenue budget of circa **£6** million. A cut of some **£5** million compared to 4-5 years ago. To date the service has met the challenge of delivering services in line with budget reductions without a noticeable decrease in standards. However with the further severe budget cuts facing the Highways Service it is widely acknowledged that the service standards will inevitably be affected.

The highway network in Carmarthenshire is an asset to the county that promotes economic viability and social well being. Well maintained highways allow businesses to trade and people can live their lives. Maintenance is crucial to the safety of the road network and all those that use it.

2. SERVICE REVIEW TO DATE

Reduction in manning levels

Over the past 4-5 years one of the most valuable assets in the Highways Service it's labour force has reduced significantly from **160 in 2007 to 120 in 2015**. The reduction in manning levels has been necessary to meet the imposed budgets efficiency savings and PBB cuts. This reduction has been met through age related retirement, ill-health retirement, other employment and voluntary severance. Whilst it can be considered that the service is operating more efficiently we are however at our minimum manning levels and any further decrease in the workforce will affect operational efficiencies and reduce the authority's resilience in providing a winter maintenance and emergency service.

Fleet reduction

A review of the Highways Service fleet has recently been completed and a fleet replacement programme has been agreed with procurement of new vehicles currently underway. The programme will see the complete replacement of the winter service fleet of gritters and its construction fleet of 18 tne HGV tipper lorries. The combined fleet of **35** vehicles are to be replaced with a new fleet of only **22** vehicles. A reduction of **13** vehicles should achieve annual savings of approx. **£180k** and will assist the service in delivering the required PBB targets over the next two years. The service will no longer have dedicated gritting vehicles which stand idle throughout the summer months but instead will have swap body type vehicles which can be used all year round thus increasing vehicle utilisation and efficiencies within the service. Swap body vehicles will be used for construction work during the day removing excavated materials from site / delivering tarmac and then swapping to a gritter body at the end of shift for gritting operations that evening. The operation associated with swapping bodies will not impact on service delivery.

Winter Service ~ New Forecast Domains / Gritting Route Efficiencies

To date Carmarthenshire's winter maintenance forecasting arrangements have been based on two operational domains i.e. East / West. However it is apparent that these geographic regions do not lend themselves to climatic forecasting due to the varied topography across the County. The current East / West domains are both varied in topography with a mixture of coastal, inland, high and low ground. In addition the forecast for the East domain, particularly when snow is featured, can be dominated by the weather station forecast from Storey Arms, Brecon Beacons which is necessary to account for the A4069 Black mountain road of a similar height and region.

In order to improve service efficiency and target scarce resources effectively, the authority has reviewed the efficiency of its existing 14 gritting routes prior to the start of this winter season and developed new routes based on the revised forecasting domains. These new domains have been established with similar topographic and potentially climatic properties. They consist of North, South and High Ground domains which are now more representative of the county's topographical and geographical areas..

It is anticipated that the revised domains will enable the weather forecaster to provide higher confidence forecasts for more distinct topographic regions. This will allow more selective regional treatments during winter conditions and reduce the number of blanket treatments across the County particularly in the South domain around the coastal fringes.

Restructure ~ Operational Boundaries / Workforce / Area Staff

A complete review of the Streetscene Division was undertaken in 2014 to identify efficiencies within the service to meet the PBB targets for individual service units. A complete divisional restructure was subsequently approved and we are currently in the process of delivering the new staffing structure which is only partially complete for Streetscene. Restructure of the Highways Service unit is however complete and the new arrangements became fully operational on 1st April 2015.

Summary of the restructure undertaken to date:~

- Operational area boundaries of East/West removed.
- County wide approach with creation of 5 No. sectors.
- Highway resource / asset equalised between each Asst Area Manager
- Existing boundaries and reporting lines rationalised as fully as possible to streamline operations, equalise workloads and support service efficiency

3. FUTURE SERVICE PROPOSALS

Network Hierarchy

The highway network in Carmarthenshire is currently managed based on roads classification A, B, C and Unclassified. Whilst this is a reasonable approach it does not always fully take into account such factors as traffic flow, the location of primary centres, important facilities and key strategic routes within the County.

The department intends to develop a network hierarchy in line with recommended guidance in the National Code of Practice for Highways. This hierarchy will form a sound basis for improved asset management and resource allocation based on a prioritised network according to use and strategic importance.

The authority works closely with other Welsh authorities via County Surveyors Society (CSS) Wales and the Asset Management Project. The alignment of hierarchy and service standards is seen as crucial to allow better comparisons and performance measurement. Moving to a network hierarchy will also enable improved collaborative working with neighbouring authorities where possible, as hierarchies and standards will be aligned.

Service standards

Introduction of a network hierarchy within Carmarthenshire will present an opportunity to define service levels and target limited resources in a structured manner, according to Council policy. Routine maintenance functions such as gully cleaning; sweeping; drainage maintenance; grass cutting; weed clearance; sign cleaning will be assigned a level of service based on the network hierarchy.

Winter Service ~ Prioritised Gritting Routes

The provision of a Highways Winter Service i.e. Gritting and Snow clearance, is a significant cost item for the Authority. As such the service is subject to continual review with the aim to identify efficiencies and ensure best use is made of resources. The service is one that receives numerous requests to increase coverage against a backdrop of reducing budgets. A partial review has already achieved a reduction from 14 to 13 routes however a further review is essential in order to realise savings in the winter service budget. The aim of this review is to re-prioritise the routes for winter service based on a risk based scoring matrix and taking into account the new weather forecasting domains to identify essential savings whilst making best use of current resources.

PPBs / Budget Cuts ~ Service Proposals

For the Highways Service to meet the challenges of the PPB savings over the next 3 years it is critical that a Network Hierarchy is agreed for all sections of road within the authority. This will define the level of services across all types and classes of road primarily based on its level of usage and strategic importance and will form the basis of our highway maintenance regime in the county. This principle has been adopted by most

of the highway authorities in England and Wales and is seen as the most effective and efficient way of managing services within reduced budgets and sets out the key functions of a Highways Service.

Some initial proposals for year 1 are outlined below for information:~

Highway Services ~ (PBB proposals 2016/17)		Agreed Target ~ £512,000
PBB Options		Saving £
1	Reduce Surface Dressing budget by 10%	100,000
3	Reduction of Amenity Grass Cutting frequencies	20,000
4	Shrub Mtce to be undertaken in-house by Cyclic Gangs	15,000
5	Reduction in mtce of raised flower beds / Rdbts in Carmarthen & Llanelli	16,000
8	Reduction in Construction Gangs by 2 No. through voluntary scheme	280,000
9	Fleet Replacement ~ 3.5 tne pickup trucks ~ efficiency through new leasing contract	80,000
Total Saving		511,000

Some initial proposals for year 2 & 3 are outlined below for information :~

Highway Services ~ (PBB potential proposals 17/18 & 18/19)		
PBB Options		Saving £
1	Reduce Surface Dressing budget by 10%	100,000
2	Reduce Surface Dressing Patching budget by 10%	40,000
3	Reduction in Sweeping function	70,000
4	Reduction in Gully Emptying frequency	70,000
6	Further Reductions in Amenity Grass Cutting frequency	20,000
7	Reduction in annual verge mowing ~ restricted to 30/40 mph zones ~ safety cuts only elsewhere	30,000
8	Reduction in Jetting function	25,000
9	Cease Mechanical Ditching function	15,000
10	Reduction in number of gritting routes & network coverage	30,000
Total Saving		400,000

Summary / Conclusion

The proposals outlined in the tables above show that we can meet year 1 savings without greatly affecting the level of service however further work is required on the preliminary proposals for years 2 & 3 to adequately assess and prioritise service levels in accordance with a redefined network hierarchy.