

REPORT TO THE CABINET

16/2/16

Cabinet Member: Councillor John Wynn Jones

Subject: Strategic Review - Highways

Contact officer: Dilwyn Williams, Chief Executive

Decision sought

Accept the strategic review and approve the recommendations to undertake a review under the "Empowering Units to Implement Ffordd Gwynedd" work stream; move the location of the maintenance of bridges and retaining walls within the Council's management structure and change to procedure to being risk-based.

Local member's views

Not a local matter.

Introduction

Over a period of some years, we have been holding a strategic review of the highways service. The purpose of the review is to assess how effective and efficient the service is.

In the current financial climate, and the difficult period we are facing, it is essential that we ask whether or not we are doing the right things and what the cost of doing so is, particularly in the fields within which there is significant expenditure. 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 tracks as we have been on as we move towards the future.

The review has assessed the existing provision while considering what is most suitable and effective in order to meet the needs of Gwynedd residents and to make the most of the funding and resources available for the field.

Naturally, we included the question on cutting the Highways Maintenance budget as part of the Gwynedd Challenge consultation and the review has highlighted several options to reduce the budget as well as the likely side-effects attached to the various options.

Review findings

The review notes that, on the whole, we provide an effective highways maintenance service and the condition of our roads is good. Though our budget in recent years has been amongst the largest of the 'family' of Councils, in general there is no evidence to suggest that we are operating inefficiently.

However, the report suggest that there is room for improvement and these recommendations are outlined below:

1. Undertake a review of the service as part of the "Empowering Units to Implement Ffordd Gwynedd" project.

The engagement work with staff highlighted a number of matters that need to be addressed and opportunities to improve the efficiency of the service and, consequently, it is suggested that the review is undertaken in order to investigate those opportunities.

2. Move responsibility for the maintenance of bridges, retaining walls and culverts from the Regulatory Department to the Highways and Municipal Department.

This would enable the prioritisation of resources taking a whole-system approach and would mean that only one Department would be responsible for all the County's road structures.

3. Move to a risk-based procedure of inspecting and assessing bridges, retaining walls and culverts

The report notes that we do not comply with the guidelines and codes of practices for these structures. Though moving to this procedure would not mean fully complying with the guidelines and codes 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.

In addition, impacts for a number of different options for the future budget level have been proposed which vary from keeping the budget on the current level to reducing it by £2,000,000. This information will be useful to the members when considering the cuts for 2016/17.

Relevant considerations

It is noted that if there is agreement to move to a risk-based procedure for inspecting and assessing bridges, one-off resources worth £104,000 will need to be earmarked to ensure that information about the structures is up-to-date.

Recommendations

- 1) To accept the results of the strategic review;

- 2) Whilst noting and accepting the praiseworthy work of the service, in order to ensure that we are as effective and efficient as possible, that a review should be undertaken of the service over the next few months as part of the "Empowering Units to Implement Ffordd Gwynedd" project.
- 3) That responsibility for bridges, retaining walls and culverts should transfer to the Highways and Municipal Department and ask both relevant Cabinet members to supervise a logical plan to do so.
- 4) That we should move to a procedure of establishing the risks of our bridges and retaining walls and follow a risk-based maintenance regime as a result of that. In order to do this, that a maximum of up to £104,000 of one-off resources should be approved from the invest to save fund unless there are other ways of funding the necessary investment and allow the Chief Executive in consultation with the Cabinet Member for Resources to consider the amount that needs to be released from the Fund.
- 5) Consider that the highways maintenance budget should be reduced and that the amount of that reduction should be decided as part of the consideration given to cuts.

Views of the statutory officers

The Chief Executive:

I have worked with the Cabinet Member to prepare this report and confirm the Contents.

The Monitoring Officer:

The outcome of a detailed report on the Highways system is reported. No comments to add regarding propriety.

The Head of Finance Department:

In normal years, the Council has defended the road maintenance budget at an extremely conscientious level, as the strategic review shows when comparing in many ways (expenditure and efficiency). However, the Council needs to find substantial savings to balance the 2016/17 budget in the context of the Government's grant reductions to local authorities. It is therefore reasonable for the road maintenance budget to make a contribution in the same manner as other services did when there was an element of choice regarding funding.

As the report outlines, this strategic review was undertaken over a period of several years, and by 2016/17 the financial strategy really needs a contribution from the review. In the review, options are outlined for consideration (5th recommendation) for different levels of budget cuts. However, if the Cabinet did

not support the suggestion in the report 'Cuts for the funding gap' to cut the £500,000 (7% are in Band 2), and a further £ 350,000 (as in paragraph 52), we would need to identify another replacement cut, or rise council tax further.

For the 4th recommendation, it's noted that there is a need to consider the allocation of up to £ 104,000 of one-off resources from the 'invest to save fund'. This use of resources will need to be prioritised against other demands from the 'invest to save fund', but the permanent savings of £ 52,600 per annum (mentioned in paragraph 5.4.8 (2) in the review) justify allocation, if the departmental underspend for 2015/16 isn't adequate to finance the investment on 'structures'.

Appendices

The Strategic Review is included as an Appendix. An executive summary is provided at the beginning of the document (pages 4 - 6)