

MEDIUM-TERM FINANCIAL PLAN

SAVING PROPOSAL ASSESSMENT

DIRECTORATE: Economy And Environment

SERVICE AREA: Infrastructure

1. GENERAL INFORMATION

SAVING PROPOSAL TITLE: Temporarily reduce the budget for Carriageway resurfacing treatments

BUDGET AREA: Carriageway Surface dressing / Carriageway Resurfacing

TOTAL BUDGET FOR THIS AREA: £922K

% OF TOTAL BUDGET IN SAVINGS PROPOSAL: 100%

TOTAL SAVING: £ 922k

Please provide a brief description of how the saving will be achieved:

Temporarily remove the revenue budget for Carriageway surface treatments. A small amount of resurfacing of the highest priorities will continue in 2023/24 utilising any available capital/grant funding.

2. PUBLIC IMPACT ANALYSIS

PLEASE DESCRIBE HOW THE PROPOSED SAVING COULD IMPACT UPON THE PUBLIC:

Consider the 5 ways of working, in particular, *long-term* implications for future generations and *preventative services*. Recognising that savings now may be needed to secure future provision, or may secure provision in another area.

Long-term guidance: Consider the importance of balancing short-term needs with the need to safeguard the ability to meet long-term needs.

The Highway is the authority's biggest asset, valued at over £2 Billion. It is already recognised that the maintenance budget is underfunded and any further reduction in carriageway maintenance budgets will result in a deterioration within the asset that will be very costly and onerous to repair in the future.

Prevention guidance: Consider whether the proposed saving is affecting a preventative area that reduces future burdens and supports well-being.

The deterioration in highway network could increase complaints and insurance claims and harm the reputation of the authority, furthermore, the decline of the highway means accessibility and connectivity may be affected which affects all road users tourists, visitors, residents, communities, emergency services and businesses who rely on the highway network daily. The budget cuts will also leave an expensive repair bill for our future generations.

DOES THE PROPOSAL HAVE THE POTENTIAL TO IMPACT MORE GREATLY ON PEOPLE WITH PROTECTED CHARACTERISTICS? (age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation)

* Yes ☐ No ☒

DOES THE PROPOSAL IMPACT ON PEOPLE WHO FACE SOCIO-ECONOMIC DISADVANTAGE? (low income/income poverty, low wealth/or no wealth, material deprivation, area deprivation, socio-economic background, cumulative impact – information on [Policy Portal](#))

* Yes ☐ No ☒

DOES THE PROPOSAL HAVE AN IMPACT ON THE WELSH LANGUAGE? (opportunities to use the language, promote the language and/or treating the Welsh language less favourably than the English language)

* Yes ☐ No ☒

NB * If **YES** to any of the above, please complete an [Integrated Impact Assessment](#) (IIA). For further advice and guidance please see the [Policy Portal](#). A Saving Proposal Template or an IIA, if relevant, must be submitted to be included as hyperlinks to all decision reports related to the proposed savings. IIAs are not required for nil impact proposals.

PLEASE DETAIL ANY CONSULTATION THAT HAS BEEN UNDERTAKEN IN CONSIDERING THIS PROPOSAL. Summarise any feedback received.

Consider the 5 ways of working, in particular, *involvement*.

Involvement: Consider whether you have involved people who have an interest in the service area, including service users and potential service users.

No public consultation undertaken but due to the possible effects on service an Annual Status and Options Report (ASOR) identifying the long term effects of underfunding the highway was submitted to Scrutiny committee for consideration in 2022.

Further to this, the proposal was included in the Council's budget savings consultation. A number of people who responded to the survey disagreed with this proposal. A temporary reduction in the highways maintenance budget was considered to be short-term thinking by a number of people we spoke with, particularly considering the poor condition of roads following recent inclement weather.

IS FURTHER CONSULTATION REQUIRED BEFORE THIS PROPOSAL CAN BE IMPLEMENTED?

Yes ☐ No ☒

NB* Please seek guidance from Corporate Policy, who can advise on whether a formal consultation is required and adherence to the Gunning Principles.

TAKING ACCOUNT OF THE ABOVE AND THE IMPACT RATING DEFINITIONS, PLEASE INDICATE THE PUBLIC IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):

Nil ☐ Minor ☒ Moderate ☐ Significant ☐ Critical ☐

3. ORGANISATION IMPACT ANALYSIS

PLEASE DESCRIBE HOW THE PROPOSED SAVING COULD IMPACT UPON THE ORGANISATION:

Additional complaints due to increased deterioration of the highway network.

PLEASE DESCRIBE HOW THE PROPOSED SAVING WILL IMPACT UPON MEMBERS OF STAFF:

Additional work for highway staff in identifying additional potholes/carriageway deterioration and additional service requests received from members of the public.

NUMBER OF FULL-TIME EQUIVALENT (FTE) STAFF IN BUDGET AREA AFFECTED:

NUMBER OF POSTS AFFECTED BY THE PROPOSED SAVING: None. Alternate work can be undertaken.

PLEASE SPECIFY HOW THIS WILL BE MANAGED:

HOW MANY POST(S)(please state)

- ALREADY VACANT: N/A
- VOLUNTARY SEVERANCE: N/A
- RETIREMENT: N/A
- REDEPLOYMENT: N/A
- REDUNDANCY: N/A

PLEASE PROVIDE DETAILS OF WHEN THIS WILL BE IMPLEMENTED:

N/A

WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER DIRECTORATE, SERVICE AREA OR TEAM WITHIN THE COUNCIL? (please tick)

Yes ☒ No ☐

WILL THE PROPOSED SAVING HAVE AN IMPACT ON ANOTHER PUBLIC SECTOR PARTNER, OR VOLUNTARY SECTOR PARTNER? (please tick)

Yes ☒ No ☐

If **yes**, please consider the 5 ways of working, in particular *integration*.

DESCRIBE:

- A noticeable reduction in annual resurfacing schemes being undertaken (Dissatisfaction)
- Increased waiting times for roads to be resurfaced (Backlog to manage and increased repair costs due to damage)
- A deterioration in road condition (National benchmarking data)
- Large increase in repair costs (for future treatments)
- An increase in potholes (Increase in repairs and additional budget requirement to fund repairs) NB. Cheaper to resurface a road than continue to Patch potholes over the longer term
- An increase in insurance claims and complaints (Additional drain on resources / staff dealing with these)
- Increase in insurance premiums
- Increase in customer dissatisfaction (Reputational damage)
- Increase and closer more frequent inspection of deterioration required (Additional staff time / resource requirement)
- Impact on active travel support and promotion as network maybe in poor condition and not conducive to promote more walking and cycling

Integration guidance: Consider how the proposal will impact on other service areas, or partners, and their ability to meet their objectives.

- The road deterioration will impact on all road users, pedestrians and cyclists with an increased risk travelling on network if not properly maintained.
 - There will be a direct impact on workloads for Highway Inspection, Customer care and Insurance
 - Risk management staff with increased workload.
 - There will also be a reduced workload with our Engineering Projects Group who manage this service and contracts expensive reconstruction options available due to the enhanced deterioration.
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HAVE ANY OPTIONS BEEN CONSIDERED TO MITIGATE ORGANISATIONAL IMPACT?

PLEASE PROVIDE DETAILS OF ANY MITIGATION (e.g. gradual reduction in service, income generation, transferrable skills of staff, commercialisation of the service etc.)

In addition, consider the 5 ways of working, in particular, acting in *collaboration* with other service areas or partners.

No mitigation, future repair costs will be significantly higher and an increase in reactive maintenance budget will be required meaning we will be undertaking less work for higher costs. That said we will continue to work with CSSW and WLGA to lobby for more funding from WG.

TAKING ACCOUNT OF THE ABOVE AND THE IMPACT RATING DEFINITIONS, PLEASE INDICATE THE ORGANISATIONAL IMPACT RATING APPLICABLE TO THIS SAVING PROPOSAL (please tick):

Nil ☐ Minor ☐ Moderate ☒ Significant ☐ Critical ☐

4. LINKS TO POLICY AND CORPORATE OBJECTIVES

DOES THE SAVINGS PROPOSAL LINK TO ANY OF THE FOLLOWING?

If so, please specify and state what the implication may be.

POLICY AREA:

CORPORATE PLAN and WELL-BEING OBJECTIVES (please state which objectives)

WB04:

WHAT IS THE LINK?

Promote a modern, integrated and sustainable transport system that increases opportunity, promotes prosperity and minimizes the adverse impacts on the Environment

WHAT WILL BE THE IMPACT?

A lack of funding to maintain current condition and statutory function

POLICY AREA:

STATUTORY DUTIES (including the requirement to provide services in Welsh)

Highways Act 1980

WHAT IS THE LINK?

Maintain the Public Highway

WHAT WILL BE THE IMPACT?

Failure to comply with the statutory duty by not maintaining the public highway to the highest possible standard with available budget

POLICY AREA:

WELSH GOVERNMENT GUIDANCE or STRATEGY

Wales Transport Strategy

WHAT IS THE LINK?

Providing a safe and appropriate highway network for transport

WHAT WILL BE THE IMPACT?

Reduced network availability due to increased temporary pothole repairs.

5. OTHER RISK(S) AND SENSITIVITIES

HAVE ANY OTHER RISKS BEEN IDENTIFIED IN CONNECTION WITH THIS SAVING PROPOSAL?

Yes ☒ No ☐

IF **YES**, PLEASE SPECIFY BELOW:

- A deterioration in road condition (Unable to maintain statutory functions)
 - Large increase in repair costs (for future treatments)
 - An increase in potholes thus increasing safety risk
 - The road deterioration will impact on all road users, pedestrians and cyclists with an increased risk travelling on network if not properly maintained.
 - An increase in claims and complaints (increase in accidents to road users)
 - Increase in insurance premiums for everyone if more claims are made.
 - Increase in customer dissatisfaction (Reputational damage)
 - Increase and closer more frequent inspection of deterioration required (Additional staff time / resource requirement)
 - The deterioration in highway network will increase complaints and insurance claims and harm the reputation of the authority, furthermore, accessibility, connectivity may be affected which could harm the sustainability of communities and businesses while leaving and expensive repair bill for our future generations.
 - Impact in promoting Active Travel
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PLEASE SPECIFY BELOW ANY OTHER MITIGATION:

Not all risks can be mitigated. Some may need to be tolerated in the context of budget pressures.

No mitigation, future repair costs will be significantly higher and an increase in reactive maintenance budget will be required meaning we will be undertaking less work for higher costs. That said we will continue to work with CSSW and WLGA to lobby for more funding from WG.

6. OTHER RELEVANT INFORMATION

PLEASE USE THIS SECTION TO PROVIDE ANY OTHER RELEVANT INFORMATION WHICH YOU FEEL HAS NOT BEEN CAPTURED.

HEAD OF SERVICE: M.R.Lloyd

DATE OF COMPLETION: 14/02/2023