

South Wales Trunk Road Agent

Managing and Improving
Motorways and Trunk Roads
through South Wales



Asiant Cefnffyrdd De Cymru

Rheoli a Gwella'r Traffyrdd
a'r Cefnffyrdd yn Ne
Cymru

National Assembly for Wales' Economy, Infrastructure and Skills Committee Inquiry into the State of Roads in Wales

South Wales Trunk Road Agent Written Response

18th April 2018



Yn gweithio ar ran
Llywodraeth Cymru
Working on behalf of the
Welsh Government

National Assembly for Wales' Economy, Infrastructure and Skills Committee: Inquiry into the State of Roads in Wales

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1. Introduction

- 1.1 Neath Port Talbot County Borough Council are appointed as Agents to the Welsh Government (WG) to act on their behalf in managing, improving and maintaining the strategic road network in South Wales on a day to day basis.
- 1.2 Neath Port Talbot operate under delegated authority from WG under the Highways Act 1980 and the required scope and service levels are as defined in the Welsh Government Management Agent Agreement (WGMA).
- 1.3 The role of Agent includes the following:-
 - Provision of technical advice
 - Operational management of the network including incident management and adverse weather planning
 - Inspection of all highway assets to determine asset condition and the identification of defects
 - Delivery of routine, cyclical and reactive maintenance
 - Design and deliver planned major maintenance renewal, upgrade and improvement works
 - Operation of the WG Traffic Officer service and network control room FunctionsOperational management of the WG technology assets (since April 2017)
- 1.4 The relevant standard applicable to SWTRA's role in the management of the network is the Welsh Government' Trunk Road Maintenance Manual (WGTRMM)

2. Background

- 2.1 Since 2003 the Trunk Road Agent arrangements in Wales have been through a number of reviews and changes. The original 8 Agent model in 2003 was rationalised following a review to a 3 Agent model in 2006.
- 2.2 These new arrangements since 2006 have placed greater emphasis on continuous service improvement, improved business management, increased competition, transparency and efficiency in terms of service delivery whilst ensuring business continuity.
- 2.3 These arrangements have been subject to regular audit and review and have included a benchmarking exercise with that of a private sector model
- 2.4 The Agency review conducted in 2010 confirmed that the public sector model operating in Wales in the context of the Welsh Economy was providing Value for Money leading to renewal of the arrangements but reducing the number of agents from 3 to 2

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- 2.5 The WG letter of appointment commented as follows –
“This is a very positive result for the unique public sector model that we have in Wales, which will now continue after its cost effectiveness was established in comparison with alternative private models as part of the review”.
- 2.6 On the 11th November 2014, the Minister for Economy, Science and Transport issued a statement to the Welsh Ministers in relation to the Management of the Trunk Road Network and Motorways in South Wales.
- 2.7 Within the statement, the Minister challenged Neath Port Talbot County Borough Council (and their counterpart in North Wales, Gwynedd County Council) to demonstrate cashable savings to the value of £14m across Wales in both their Management Unit Cost, and in conjunction with its public sector supply chain partners, the delivery of Routine Maintenance costs and Inspection costs by 31st March 2018. This was to be achieved via a combination of operational efficiency savings but also a reduction in the highway maintenance service standards
- 2.8 Within the statement by the Minister, the intention to transfer all planning functions and delegations from the Agent to the Welsh Government was also announced. This transfer took place on 1 April 2015, with 9 members of the Agent team in South Wales transferring under TUPE to the Welsh Government. This change instigated a fundamental shift in the responsibilities of the Agent.
- 2.9 Following this change the Welsh Government has taken on all responsibilities relating to management of the highway asset including the planning and prioritising of all works to be undertaken on the highway.
- 2.10 From this date the role of the Agent shifted to that of a delivery agent, responsible for delivering the programme of works that has been decided upon, prioritised and funded by the Welsh Government.
- 3. The current condition of roads in Wales and whether the approach to funding and delivery of maintenance programmes for the local road, trunk road and motorway network in Wales is effective, managed so as to minimise disruption to road users, and provides value for money.**
- 3.1 Based on the above Scope, the Agent has limited their comments in this report to the trunk road and motorway network in South Wales.
- 3.2 We have provided our comments under five broad headings of i) maintenance and inspection, ii) funding, iii) delivery mechanisms, iv) minimise disruption and v) value for money.

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3.3 We understand that comments in relation to the asset management strategy including the planning and prioritisation of renewals /major maintenance of the trunk road network will be addressed by a separate report prepared by Welsh Government Transport officials from the Network Management Division.

4. Maintenance and Inspection

4.1 The trunk road network within South Wales is varied with the M4 motorway connecting to a network of inter urban dual carriageways in the East of the network including the A470,A465 & A449. To the West of Swansea there is combination of dual carriageways and non- engineered rural single carriageway including A40, A48, and A477 & A483. The traffic volumes experienced across the network vary greatly from circa 100,000 vehicles per day on the motorway around Cardiff to circa 10,000 vehicles per day on the rural road network. This can pose operational challenges which are covered in the minimising disruption section (iv)

4.2 In the delivery of Routine & Cyclic maintenance which is intended to keep highway infrastructure safe, serviceable and reliable, SWTRA's principal function is in the delivery of a comprehensive inspection programme across all highway assets

4.3 The inspection programme has two key purposes, firstly from a highway Safety perspective to identify Category 1 defects which present an immediate hazard to the travelling public. These defects have defined timescales for repair which include making safe within a period of between 2hrs and 24hrs dependant on the classification of the road and with a permanent or holding repair completed within 28 days.

4.4 The Inspection programme second purpose is to provide WG with asset condition data (classified as category 2 data) which can then be considered in conjunction with further condition survey data such as SCRIM (used to identify surfacing skidding resistance) and Deflectograph (carriageway structural condition) to enable a full assessment of the carriageway condition to be understood. This then enables WG to consider and prioritise across Wales renewal schemes to address the asset condition defects in the most efficient manner.

4.5 Intervening with planned capital renewal schemes at a suitable point in an assets life can often restore it to its specified condition.

4.6 It is of note that on average during the past 10 years, the level of Capital investment in major maintenance on the trunk road network had fallen. The impact of this can be an increase in the number of unplanned repairs which can lead to inefficient use of resources, increased costs and the number of network interventions

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4.7 In addition to this, since the late 1990s in order to address environmental concerns in relation to both noise and aggregate use there has been a change in the type of surfacing material being used. The traditional Hot Rolled Asphalt has been phased out of use and replaced with a Thin Surface course systems material which has a life expectancy ranging from 9 to 15 years as opposed to HRA which had a life expectancy circa 20 -25 years. There is therefore an argument that the level of funding should have been increased to address the shorter life expectancy range of the new materials

4.8 Increased capital investment could allow for further major planned maintenance to take place to arrest the decline in the overall asset condition enabling more cost effective approach to maintenance

5.0 Funding

5.1 A key consideration to the funding levels is timing of the funding allocation. The Agent operates on an annual cycle of Capital funding for scheme development and construction and Revenue funding for maintenance and inspection activities.

5.2 Notification of the funding available and its associated scheme and work programmes is usually provided to the Agent in April or May of each financial year (the financial year runs from April to March).

5.3 The level of funding provided at the start of each year, particularly in relation to Capital, is variable and can change year on year. The late notification of budgets and work programmes can put pressure on the delivery profile of the Agent and its supply chain with the first quarter of the year effectively lost from a delivery perspective.

5.4 As a result of this, work programmes are inevitably profiled towards the last two quarters of the financial year, providing a year end spike in planned works, with works also at risk of adverse weather.

5.5 Early notification of budgets and works programme prior to the start of the financial year, or a commitment to a five year budget cycle, would alleviate these pressures

5.6 In addition to the planned budget and works profile, the spike of works in the final quarter is regularly heightened by the need to spend funds that have been unspent elsewhere in the WG. This final quarter push has happened in each year of the Agent's being, and places further pressure on the delivery mechanisms of the Agent.

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- 5.7 Whilst SWTRA welcomes the opportunities to undertake additional works as finance becomes available other benefits could be achieved by supplementing this with early notification of an initial budget each year. The ability to progress works during the early part of the year and then to supplement with additional budget would assist with programming of works. This would smooth out the delivery profile and impact positively on congestion management and road space interventions.
- 5.8 It is also of note that as a result of the current funding profile, a high level of surfacing work is undertaken in the cold weather, during temperatures at which some suppliers / applicators of proprietary products will not guarantee their product / work.

6. Delivery

- 6.1 The SWTRA operating model agreed with Welsh Government at its inception, is that of an enabling organisation but with all delegated functions delivered directly by the management unit in order to provide effective control and consistency.
- 6.2 Routine and Cyclical maintenance is undertaken by the Public Sector partners of the SWTRA. The use of public sector partners provides the Welsh Government with the benefits (where appropriate) of a shared basic infrastructure including the use of Depots and Plant. This is especially of benefit in rural areas and allows for a timely response to emergencies on the network and winter maintenance activities.
- 6.3 SWTRA has continued to drive continuous improvement through its public sector supply chain. Since 2009 rationalisation has been achieved by encouraging the Local Authorities to form three Regional Maintenance Partnerships, with the benefits of cross border working, improved consistency and a lower level of administration yielding both improved compliance and efficiency savings.
- 6.4 The Public Sector partners of the Agent now operate within a multi-year Service Collaboration Agreement with the emphasis on collaborative, transparent and efficient working practices, shared amongst all partners. The arrangements in place also provide flexibility and resilience have over the past two years demonstrated the ability to scale up and support via their own supply chain arrangement during periods when additional funding has been made available providing short term support to the capital maintenance delivery.
- 6.5 Capital Maintenance and Improvement Programmes are delivered via competitively procured multiyear Framework Construction contracts and Consultancy contracts with the Private Sector. Rationalisation of these

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contracts in 2010 led to a reduction in procurement costs and efficiencies of scale by merging the Structure and Highway contracts into one.

- 6.6 The use of Framework Agreements has greatly enhanced the ability of the Agent to scale up for Capital works quickly and efficiently whilst ensuring value for money. The Frameworks are competitively tendered, but enable works of a certain value to be delivered through the contractors without the need for the costs and time taken to tender each individual project.
- 6.7 There are clear benefits to planning the capital works programme on a multi-year basis, moving away from the pressures that designing and constructing a scheme in one year can bring. This provides for additional planning time to consider the designs fully and to limit the extent of compensation events / design changes that can arise during a project, leading to increased costs.

7. Minimise Disruption

- 7.1 SWTRA fully recognises that every effort to minimise disruption to traffic flows during roadworks must be made due to the potential impact on journey times and its effect on the economy. SWTRA adopt a range of measures to mitigate against traffic disruption for its routine, reactive and capital delivery programmes as illustrated below.
- 7.2 The Agent adheres to the Welsh Government National Approach for Road and Street Works in Wales Policy
- 7.3 SWTRA and WG recognise that the Trunk Road Network in Wales is subject to significant seasonal variation due to the level of tourist attractions in Wales. WG operate formal embargo periods that prohibit any programmed works during all bank holidays with additional restrictions placed for the wider school holiday periods.
- 7.4 In South Wales the Agent also operates to an agreed Traffic Sensitivity Document. The purpose of this document is to provide a schedule of when routine activities and closures can take place on the network without causing significant congestion. These times are derived from network traffic flows measured on the network. The rural and lower trafficked routes are generally permitted to work outside of peak traffic periods between 09.30 - 15.30
- 7.5 On heavily trafficked routes, a key mechanism to reduce disruption is to impose night time working where works access are restricted to 19.00 to 06.00 Monday to Friday. Whilst this minimises disruption, it does come at a cost. On average night time work invites a premium on cost of approximately 20%, which can place pressure on budgets. However, this is an agreed and practical way forward.

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- 7.6 Success has been achieved by utilising road closures at night to carry out maintenance activities where suitable diversion routes are in place. This has led to a reduction in lane closures during the day. To use one route as an example, the A465 between Dowlais to Cefn Coed was historically subject to 16 day time static lane closures for maintenance activities per year. This has been replaced by 4 night time complete closures to carry out all maintenance activities as well as to carry out additional works leading to savings from economies of scales and traffic management savings which offset the premium paid for night time working.
- 7.7 Coordination with Local Authorities and Utility Companies is essential to minimising corresponding disruption or work clashes on the network. Utilisation of web based mapping systems have enabled interested parties to gain an overview of works planned on the network to encourage coordination. These systems highlight, for example, clashes caused by simultaneous planned works on primary and diversionary routes.
- 7.8 The Welsh Government has supported the use of such systems by the Agent and Local Authorities with funding provided for all parties to utilise the Elgin system, www.roadworks.org. Work continues to extend the use of this system as a long term planning tool for all.

8. Value for Money

- 8.1 As highlighted in section 2 of this report, the Agent has been subject to historical value for money reviews, the results of which have been positive.
- 8.2 The Agent is currently providing evidence of the successful meeting of the cost saving challenge set by the Minister in 2014. The cashable savings target set by the Minister's officials following the statement was a £14m reduction in maintenance and inspection costs across Wales.
- 8.3 Working with the Welsh Government, the proportion of this target relevant to South Wales has been met by a variety of business cases aimed at increased efficiencies, streamlined operations, internalisation of functions and innovative methods of working, utilising appropriate technology advancements where available.
- 8.4 Pressure on the revenue maintenance budgets available from Welsh Government has inevitably led to a reduction in the service specification for maintenance on the Trunk Roads and Motorways in Wales. The Specification, known as the Welsh Government Trunk Road Maintenance Manual, has received annual revisions by Welsh Government since 2015.
- 8.6 Whilst safety standards and legislative compliance have not been compromised, elements of the reputational works previously in the

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standard, sometimes referred to as the 'nice to haves' have been reduced or removed from the standard. Examples of this would include the frequencies of grass cutting and sign cleaning in certain areas. This has inevitably had an impact upon the reputation of the road network from a visual and use perspective.

8. Conclusion

- 8.1 SWTRA believe that the current trunk road Agent model has proven through rigorous and robust audits that it is providing a good level of service delivery through its public and private supply chains.
- 8.2 A review of funding arrangements with a move to a five year rolling programme would be beneficial in enabling better planning and allocation of resources and delivery of work in a phased manner across the whole of the financial year.
- 8.3 If five year budgets cannot be achieved, then early notification of the annual budget and programme would enable better planning and a more balanced delivery profile through the year.
- 8.4 We would urge the Welsh Government to continue to consider the balance between material choice and budget provision. Asset life planning and material life expectancies need to be considered in the planning cycle of the network.
- 8.5 The Agent welcomes the continued investment in software to drive improved intervention coordination with Local Authority highway works and will continue to assist in further and future developments and improvements of these systems and operations.
- 8.6 Whilst the current Ministerial Savings target has been delivered, the Agent is committed to continue to identify opportunities for efficiency savings, innovative methods of working and the application of new technologies as they become available in the industry.
- 8.7 SWTRA would like to thank the Committee for the opportunity to provide this statement and welcomes any questions that the Committee may have in relation to it.

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