

Public Accounts Committee
National Assembly for Wales
Cardiff Bay
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Gofynnwch am / Please ask for: **Mr. A.Wilkinson**

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Ein Cyf / Our Ref: **AW/SJ**

Eich Cyf / Your Ref:

Dyddiad / Date: **02.03.2015**

Dear Sir,

Inquiry into value for money of Motorway and Trunk Road Investment

I write on behalf of Conwy County Borough Council in response to the consultation regarding value for money in the maintenance and improvement of the Welsh trunk road network. Conwy is a key stakeholder in the network due to our strategic location at the intersection of the A470 north-south route and the A55, and our role in both consultancy and operational service delivery as a partner of NMWTRA.

Conwy's view is that the existing service delivery model in North and Mid Wales, with consultancy and integrated operational services procured through local authority partners, is the most cost-effective methodology and represents the best overall value for public money.

Over the past year or so, North Wales local authorities and NMWTRA have been working together on improving transparency and efficiency through a major revision of the Schedule of Rates process and the consultancy commissioning system. We believe these improvements will deliver savings and suggest that transparency could be taken a step further by all partners adopting an open book approach to their costs and recharges.

Further improvements will be most effectively achieved collaboratively, making full use of the knowledge and skill base within local authorities – skills that we must retain in order to manage and maintain the county road network. An example is the consultancy project that Conwy is currently undertaking, to review and optimise the gritting routes for all eight North and Mid Wales authorities. Using our in-house expertise is cheaper and more efficient than bringing in an external consultant who would spend chargeable time getting to the same starting point.

From an operational maintenance perspective, there are obvious and demonstrable advantages in the combined service model, particularly in the areas of resilience/capacity and minimisation of fixed costs such as plant and depots. The availability of the local authority workforce in emergency situations or extreme weather conditions, and the local knowledge they hold, is of significant benefit to Welsh Government and in our view would be impossible or unaffordable to match through a specification in an outsourced contract.

Improvements to the function of NMWTRA and its local authority partners must inevitably be considered in the context of the financial realities facing the entire public sector. Local authorities are already in the process of transforming their services and reducing management structures to reflect the huge cuts in their budgets. We would expect a similar approach from NMWTRA and Welsh Government.

In Conwy, we are also looking at the factors that influence demand on front line services, including our own specifications and service standards and how we manage risk. We are therefore concerned that certain aspects of the 2015 WGTRMM will increase costs rather than drive savings, being too focussed on risk management of extreme events. Service delivery in extreme events should take advantage of the resilience built into the local authority delivery model rather than setting inflexible specifications that increase costs of 'normal' service eg the requirement for a two hour depot to depot time for gritting routes.

Finally, we strongly suggest that any assessment of value for money on the trunk road network should consider the overall cost to the public of the entire trunk and county road network of Wales. Any initiative to reduce trunk road costs should not increase the burden on local authorities.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Andrew Wilkinson', with a long horizontal line extending to the right.

Andrew Wilkinson
Head of Neighbourhood Services