

Minutes



Performance Scrutiny Committee - Place and Corporate

Date: 8 April 2019

Time: 4.00 pm

Present: Councillors C Evans (Chair), M Al-Nuaimi, J Clarke, D Fouweather, I Hayat and J Richards

In Attendance: Paul Jones (Head of Streetscene and City Services), Joanne Turner (Senior Technical Officer) and Meryl Lawrence (Scrutiny Adviser)

Apologies: Councillors G Berry, K Critchley and W Routley

1 Declarations of Interest

None.

2 Minutes of the Meeting held on 14 January 2019

Members wished to thank the Cabinet Member for considering the Committee's comment and postponing the increased charge for Residents parking until the commencement of Civil Parking Enforcement.

The Minutes of the meeting held on 14 January 2019 were **approved** as a true and accurate record.

3 Draft Highway Asset Management Plan 2019 - 2024

Attendees:

- Paul Jones (Head of City Services)
- Joanne Turner (Senior Technical Officer, City Services)

Apologies:

- Bev Owen (Strategic Director - Place)
- Steve Davies (Senior Strategy Manager, City Services)

The Head of City Services presented a brief overview of the Draft Highway Asset Management Plan to the Committee, highlighting the key areas for consideration. He reminded the Committee of the Briefing that had been presented to Members in September 2018 upon the condition of the road network and also mentioned the development of the Draft Highway Asset Management Plan (HAMP), which it was recommended be reported to the Committee. Members were advised that the Draft HAMP followed the same format as other Councils, as Welsh Government had wanted Local Authorities to be consistent with their Plans.

The Senior Technical Officer highlighted areas of the report to the Committee, including the diagram on page 1 of the report which showed how the plan was put together and related to

other Council Plans. The funding information was clarified - £700,000 funding for a 3 year period from Welsh Government and the (gross) replacement value of the highway asset was calculated to be £1.1bn (the cost of replacing the asset as new). This was the singular largest asset for the Council and she explained the risks and anticipated funding over the next 5 years.

The Head of City Services advised that this was an important document that underlined how the Council would go forward. While the projected funding the Authority would receive was known, roads were a very long term asset so it was difficult to plan too far ahead and it would be continuously monitored.

Members asked the following:

- Members thanked the officers for the previous presentation, which they had found fascinating, not least the value of the highway assets that could not be sold. Concerns were expressed regarding the lack of funding to maintain assets. The Head of Service explained that Welsh Government funding was helping to make the roads safe and maintain them to a minimal standard but would not go beyond that. Examples were given that the earlier repairs and maintenance carried out in the lifespan of a road would result in a lower cost, as if left longer more traffic created more wear and investment became more challenging.
- A Member requested clarification of the figures in the Asset Valuation Table on page 28. It was clarified that if the Council spent the Annualised Depreciation Cost each year then the current standard of highway assets would be maintained, while if they spent more the condition would improve, and if less the quality would decrease.
- A Member asked who decides the percentages of depreciation. Members were advised that it was calculated in-house within the Finance and Accountancy teams via a method using condition surveys done each year. The Head of City Services advised that the format of the Plan mirrored other Local Authorities and that lobbying of Welsh Government for funding was taking place.
- A Member asked what form the lobbying had taken. The Head of Service advised that mostly through the Welsh Local Government Association, although the Senior Technical Officer also met with other Local Authorities in Officer Network meetings.
- Members discussed Appendix A: Anticipated Five Year Funding for: Carriageways; footways; Structures; Street Lighting, and; Traffic Signals, on page 41 of the Report. Concern was expressed that there was no capital funding from 2020/21 identified in the table for most of the Asset groups, where the money could be used for new assets. The Head of Service explained that that some funding has been added on 2 year basis and it is hoped that it will stay that way but it hadn't been included in the base model so had to assume the current funding arrangement which is only committed until 2021. Funding is anticipated, but not sure from where yet. An example was given to Members of a £700,000 carriageway surfacing which had been topped up from Welsh government for that year.
- A Member asked whether the "patchwork" system of repairing roads was value for money and would it be better to resurface roads. The Head of Service advised that the Service was not in a position to do wholesale resurfacing works.
- A Member raised the issue that sometimes crews were returning to the same areas, which was not cost effective and that such areas needed to be targeted for capital funding. The Head of Service advised that there was limited capital funding available and the Service needed to do the best with the funding they had.

- A Member gave an example of if George Street Bridge being damaged, how repairs would be funded. The Head of Service advised that for emergency repairs there would be a capital bid to the Council's capital fund, that would compete with schools and other priorities identified by the Authority. The bid would be discussed with the Senior Leadership Team and considered by the Cabinet.
- A Member asked how the predicted 20% figure for increase in traffic volumes on the M4 had been calculated. Members were advised that Welsh Government had provided these figures.
- A Member referred to Central Government's decision to redraw fees in England and asked whether there was any additional money in Wales. The Head of Service advised that the road resurfacing funding provided by Welsh Government was similar to English funding.
- A Member referred to Appendix A: Anticipated Five Year Funding table on page 41 of the Report and enquired why the anticipated funding for revenue for street lighting was only £72,000 for 2023/24. The Officers advised that this was a typographical error and the figure should have been £722,000.
- A Member expressed concern that in three of the Asset groups in that table there was no additional funding for planned maintenance work for the next 4 years. The Head of Service advised that Newport was asking Welsh Government for additional funding, but was in competition with other areas. The focus was on carriageways, the plan was based on what was currently known at that time. If there was no additional investment over those years, then potholes would be focussed upon. The draft HAMP explained the Council's overall strategy and identified what the funding was allocated for.
- A Member asked if there was any data to support that vehicles parking on pavements damaged footpaths. The Officer advised that the damage caused was known, but not the extent. The Head of Service added that there was no specific data, but the city centre had more delivery trucks, which impacted, and block paving was damaged as a result.
- A Member commented upon the good general management of maintenance over nine years of challenging funding. The Head of Service advised that the Service had received a lot of alerts about potholes, which going forward could increase. The Officer advised that during 2013 – 2015 additional funding had been provided by Welsh Government so more work had been undertaken.
- A Member acknowledged the extra funding mentioned above which had enabled highway resurfacing, but was concerned about future maintenance. The Officer advised that there had been a buffering effect provided by Project 21 over a three-year period, followed a year later by the Local Government Initiative, which had made quite a difference to highways across the City.
- A Member referred to the £1.5m Capital Works for 2019-20 for Street lighting in the table on Page 41 of the report, and asked when LED lighting was introduced across the city, what would the estimated saving be by 2023-24. The Head of Service advised that the savings would be on the electricity costs, which would equate to around £200,000.

The Member followed up by asking should there be a reduction in revenue costs as a result. The Head of Service advised this would be looked into, but the cost of replacing bulbs with a cherry picker would be via a contractor with a fixed price contract, which had been factored into the costs, however, revenue costs are impacted by replacing damaged columns and replacing old cabling which required trench work.

The Member asked whether the savings could be spent on new cabling. The Head of Service explained that savings were energy savings due to LED lights and could not be used for cabling.

- A Member asked whether the Service could use saved money to light more streetlights in known of anti-social behaviour. The Head of Service advised that it was a possibility to extend part time lights to stay on till 12am, as there were few complaints made after this time, but could not afford full time lighting.
- A Member referred to the Energy Costs for Street Lighting increasing from £540k in 2019/20 to £791k in 2023/24 and asked if the increase took into account a larger population and new estates. The Head of Service advised Members that it included energy cost inflation and could include taking on new estates but the contractors would pay street lighting energy costs until the Council adopts roads and estates. It was clarified that if a new development was proposed, developers either had to agree to have the estate adopted by the Council after a number of years, or alternatively they could opt for a management company to maintain. Areas did not have to be adopted by the Council, but the contractor has to show a plan that it would be maintained.
- A Member enquired after the initial investment is recouped from Civil Parking Enforcement, would the profits be ring-fenced into this service. The Head of Service advised that by law this money raised had to be ring-fenced to Highways and Road Safety with set accounts and restrictions upon what it could be spent.

The Member followed up by asking if there was an estimate based upon what similar Councils were raising from decriminalised parking. The Head of Service advised Newport would not be on the same level as Cardiff and it was difficult to estimate before implementation and that payback had to be factored in over a period of time.

- A Member queried the target standards for footways in the Service Standards table on page 35, where the % in poor condition (red condition) target standard increased from 1% in 2019 to 5% in 2024, which suggested maintenance would not be done. The Head of Service advised that he would look at the base model, the report that sits along with this draft plan and pass the information to the Committee.
- A Member commented that as parking enforcement gets more successful, revenue for the Council would drop and that from there on Council would need to find other sources of income. The Head of Service explained that this was based upon models used by other Council and takes into account when parking behaviours have settled and the Service was expecting a small surplus.

The Chair thanked the Officers for attending.

Conclusion - Comments to the Cabinet Member

The Committee noted the Draft Highway Asset Management Plan 2019 – 2024 and agreed to forward the Minute and comments below to the Cabinet Member for City Services for consideration together with the Draft Highway Asset Management Plan 2019-2024:

- a) A number of concerns were expressed above regarding the Anticipated Five Year Funding levels allocated in the Appendix A of the Draft Highway Asset Management Plan 2019-24.
- b) Concern was expressed at the £1.5M Annualised Depreciation costs for Footways and Cycleways and the projection of the target for “% in poor condition (red condition)”

increasing from 1% in 2019 to 5% in 2024. It was suggested that consideration be given as a priority for the allocation of funding to avoid this projected decline in condition and links to Well-being and Active Travel Plan encouraging people to walk and cycle be explored.

- c) Given the increased in use of Management Companies in new developments, Members suggested in order to clarify accountability for Highways Services / Assets it would be useful to have a contact list for Management Companies for the related developments for ease of directing residents appropriately when queries were received.

4 **Draft Annual Forward Work Programme 2019-20**

Attendee:

- Meryl Lawrence (Scrutiny Adviser)

The Scrutiny Adviser presented the Draft Annual Forward Work Programme for 2019-20 and outlined the draft topics for the year. It was emphasised that the Committee has ownership of the Work Programme and would continue to have the opportunity at each meeting to adapt, reprioritise, add or replace items on its Work Programme.

The Scrutiny Adviser outlined the Information Reports and proposed Briefings for the year, which included a training session upon the Service Plans ahead of consideration of the Service Plan Year End Review Reports in June.

Members' attention was drawn to the proposed schedule of meetings for the year.

Agreed:

The Committee **approved** the Annual Forward Work Programme, the schedule of meetings for 2019-20 and **agreed** the start time for Committee meetings of 4pm.

5 **Scrutiny Adviser Reports**

Attendee:

- Meryl Lawrence (Scrutiny Adviser)

a) Action Sheet

The Scrutiny Adviser presented the Action Sheet and advised the Committee that as indicated in the table, all items had been actioned and information circulated to Members of the Committee accordingly.

The meeting terminated at 5.07 pm