

**FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:**           **EXECUTIVE**

**DATE:**                 **27 MARCH 2012**

**REPORT BY:**         **DIRECTOR OF ENVIRONMENT**

**SUBJECT:**            **NORTH WALES TRUNK ROAD AGENCY**

**1.00   PURPOSE OF REPORT**

1.01   To seek approval to enter into a revised Partnership Agreement for maintaining the Trunk Road Network in North and Mid Wales.

**2.00   BACKGROUND**

2.01   Responsibility for the trunk road network lies with the Welsh Government, but since the time of the former County Councils before Local Government reorganisation in 1996, the management and maintenance of these trunk roads has been undertaken by Local Authorities on the Welsh Government's behalf.

2.02   The map in Appendix 1 shows the network of trunk roads in North and Mid Wales.

2.03   In 2005, the Welsh Assembly Government as it was at the time, decided that it wished to deal with fewer Authorities and decided that it wished to centre its operations around three areas, one each for North, Mid and South Wales.

2.04   The North Wales Authorities agreed to form a North Wales Partnership of six Authorities with Gwynedd Council acting as lead partner to enter into the formal agreement with the Welsh Assembly Government.

2.05   Gwynedd Council entered into an Agency Agreement with the Welsh Assembly Government on behalf of the partnership and each partner Authority then agreed to undertake the required action in their area in order to fulfil the obligations of that Agency Agreement. The relationship between the partner authorities is covered by a Partnership Agreement which was approved in 2005.

2.06   The current Agency Agreement with the Welsh Assembly Government was due to expire in October 2010 but as they wanted to undertake a review of the current arrangements, we were asked to extend the arrangements until April 2012.

- 2.07 The review was driven by a desire upon the Welsh Assembly Government's wish to establish whether the arrangements operating in England (whereby the trunk roads are managed and works undertaken by the private sector) could be providing better value for money.
- 2.08 An evaluation of the financial benefits of the two types of arrangements was commissioned along with an examination of the wider economic benefits accruing from the current arrangements.
- 2.09 As part of this review, the North Wales Authorities formulated an evidence paper noting the benefits which accrued to the Welsh Assembly Government from the current arrangements and also the benefits which accrued to the wider highway network. Gwynedd Council's Officers also met with the individuals undertaking the economic assessment to underline the importance of the current arrangements to local economies and the extent and nature of posts that would be lost were the current arrangements to be dismantled.
- 2.10 The benefit to local authorities of retaining the current arrangements cannot be over emphasised both in terms of local employment and the economies of scale afforded to the County network.
- 2.11 Immediately before the last Assembly elections, the Minister at the time wrote to Gwynedd Council as agent to note that he had come to a final decision on the issue, and announced that he intended to continue with the current arrangements subject to capability, capacity, performance and value for money.
- 2.12 This is of course was good news, as we could continue to share overhead recovery and retain local employment.
- 2.13 However, the Minister also noted that he wished to reduce the number of agencies and announced that he intended to terminate the Mid-Wales Agency Agreement. We made representations that it would be beneficial for the Trunk Road areas to be coterminous with the Taith and TRACC areas and that the Mid Wales Trunk Road Agency should join the North Wales arrangements and he agreed with this view. In some respects, this is also good news as it gives the North Wales entity greater resilience in that it is now roughly the same size as the South Wales entity.
- 2.14 It was proposed that the new arrangements would come into effect in April 2012 and discussions have since centred on merging the two Trunk Road Units (which Gwynedd Council have been managing) and establishing the nature of the new agency agreement.

### **3.00 CONSIDERATIONS**

- 3.01 The experience of implementing the previous Agency Agreement has established that it was not fit for purpose (as it was based on the commercial arrangements operational in England rather than the partnership approach adopted in Wales), and discussions on the new Agency Agreement have centred on streamlining the new Agreement and ensuring that it reflects current practice.
- 3.02 However, both the North Wales and South Wales agencies are trying to ensure that a potential risk loophole contained in the previous Agreement is closed, whereby a partner authority could be held liable for an action arising out of a defect which it had identified but which had not been actioned due to lack of funding by Welsh Government.
- 3.03 As a result of this issue, there have been some delays in establishing the new Agreement which Gwynedd Council will be required to sign and at the time of writing this report, it has still not been finalised. Gwynedd Council's Officers are pursuing the Welsh Government Officials to obtain the final version.
- 3.04 Once the new Agency Agreement is finalised, Flintshire County Council will sign The Partnership Agreement.
- 3.05 The new arrangements are due to take effect on 1 April 2012 as the current Agency Agreement expires on that date. Gwynedd Council have taken the view that they can delay no longer and have formulated a revised Partnership Agreement to ensure that it can be in place as from 1 April 2012.
- 3.06 The latest draft of the revised Partnership Agreement is attached at Appendix 2 and was considered at a meeting of the North Wales Trunk Road Joint Committee at its meeting on 29 February and the Mid Wales Trunk Road Agency Joint Committee on 5 March.
- 3.07 It notes the rights and obligations of each partner to the Agreement and the exact detail of what each partner has agreed to provide is contained in a Service Provider Schedule which has been the subject of discussions between the Trunk Road Unit and Flintshire County Council.
- 3.08 The Partnership Agreement largely replicates the clauses of the previous North Wales Agreement but differs in the fact that it now contains the Mid Wales Authorities as well as the North Wales Authorities and contains some minor amendments.
- 3.09 The Agency has worked well over the past few years to the mutual benefit of all parties involved and any adjustments have been included in order to iron out minor issues which have arisen over the past operating period.

3.10 The duties of the Joint Committee (established under the provisions of the Partnership Agreement) have also been clarified and an escalation process included in order to iron out any problems in an effective and efficient manner. These have been included in order to clarify the difference between the Joint Committee's functions and those of Taith/TRACC.

3.11 Essentially, the Joint Committee exists in order in order to ensure that we meet the obligations of the Agency Agreement (that is to say fulfil the Welsh Government's needs as the principal to the Agreement) and to ensure that Gwynedd Council as lead Authority treats the partners in a fair and equitable manner.

3.12 Issues relating to transport policy are the prerogative of Taith and TRACC and this issue has caused some confusion in the past.

#### **4.00 RECOMMENDATIONS**

4.01 That Members approve the draft Partnership Agreement and authorise the Director of Environment, following consultations with the Executive Member for the Environment, to agree any minor changes and sign the document.

#### **5.00 FINANCIAL IMPLICATIONS**

5.01 None specific to the report. It should be noted that one of the parts of the Compact Agreement between WG and Local Government is to undertake a review of the relationship between Trunk Road Agencies and Local Authorities. This may result in changes to the nature of the Partnership Agreement and will be reported to Members in due course.

#### **6.00 ANTI POVERTY IMPACT**

6.01 None.

#### **7.00 ENVIRONMENTAL IMPACT**

7.01 None.

#### **8.00 EQUALITIES IMPACT**

8.01 None.

#### **9.00 PERSONNEL IMPLICATIONS**

9.01 None.

**10.00 CONSULTATION REQUIRED**

10.01 None.

**11.00 CONSULTATION UNDERTAKEN**

11.01 None.

**12.00 APPENDICES**

12.01 Appendix 1 – Map network of trunk roads in North and Mid Wales.

12.02 Appendix 2 - Draft revised Partnership Agreement

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985**  
**BACKGROUND DOCUMENTS**

None.

**Contact Officer:** Carl Longland  
**Telephone:** 01352 704500  
**Email:** [carl.longland@flintshire.gov.uk](mailto:carl.longland@flintshire.gov.uk)