



# **ANNUAL REPORT**

## **2014**

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## 1). Executive Summary

2014 saw a continuation of the transformation process for Guernsey Roads following the initial changes made in 2013. Functioning as a business unit in itself has assisted in creating a clear identity and brand, which customers can recognise. Improving the way that we meet the current needs of our customers and providing them with an excellent level of customer service is something that we have identified as a priority and this closely ties in to the aims of 'Service Guernsey'.



In 2014, Guernsey Roads has considered ways to improve management of the roads in order to operate more efficiently and achieve the maximum amount of work possible. To support this it has also considered ways in which its costs might be offset and its budget supplemented.

Further improvements in operating efficiently have enabled it to support the States of Guernsey in its need to maximise value for money when investing in its infrastructure, and to ensure it supported both the strategic aims and objectives of the Public Services Department and the States.

We are looking forward to a year of continuing improvement in 2015 as Guernsey Roads continues its drive to deliver well-maintained public highways that enable the efficient movement of people and goods and make a positive contribution to Island life in social, economic and environmental terms.

**PETER J FALLA**

**SENIOR MANAGER, PROJECTS & ROADS**

## 2). Introduction

Guernsey Roads is a business unit of the Public Services Department, and is responsible for the maintenance of the structure and wearing surfaces of the 400 km road network, the maintenance of the surfaces of green lanes, road cleansing, and the management, collection and disposal of surface waters that fall on and/or pass under the road network (road drainage).



### REINFORCING THE BRAND OF GUERNSEY ROADS

Up until 2013, “Roads” had simply been seen as a sub-section of PSD’s Head Office. During 2014, although it did not have its own source of funding, Guernsey Roads effectively became another business unit and provided separate monthly updates to the Board. This provided it with more autonomy but also greater scrutiny.

We have focused on developing value for money solutions to ensure public funds are spent in the most efficient manner. To raise public awareness of Guernsey Roads and the work it does, a number of team initiatives were undertaken, including the branding of all new PPE (Personal Protective Equipment) and road signage for use on site.

Guernsey Roads has set out to ensure that islanders are at the heart of everything it does with its aim being always to deliver services as efficiently and effectively as possible.

### VISION

Guernsey Roads’ vision is for:

*‘Well-maintained public highways that enable the efficient movement of people and goods, and make a positive contribution to island life in social, economic and environmental terms.’*

This is aligned with the States’ Strategic Plan which recognises that infrastructure is a key resource in ensuring that any community and economy works effectively.

### 3). Review of 2014

#### TRANSFORMING THE WAYS GUERNSEY ROADS OPERATES

Business planning is essential for any operation looking after expensive assets and servicing a wide customer base. In 2014 Guernsey Roads continued the process started in 2013, whereby we moved towards long-term business planning and outlining our future strategic direction.



Surveys provide an understanding of the condition of the Island's roads, which is essential for forward planning, both in making decisions about how they are managed and in understanding the future investment required to maintain or improve condition.

Condition data also forms the basis of calculations regarding asset depreciation and maintenance backlogs. It also assists in maintenance works identification and subsequent prioritisation. This information allows Guernsey Roads to establish the necessary resources we need to fulfil our objectives.

Much of the initial work in 2014 went towards developing the forward planning of major resurfacing and reconstruction works for 2015 and 2016. In 2015, this will move further ahead to encompass 2017 and 2018, so that there is at least a three-year plan for these works.

This will have a benefit in that it will allow utilities to plan any major infrastructure works to coincide with the period shortly before Guernsey Roads' projects are undertaken. As a result, the cost to the States of the shortened lifespan of roads due to early excavation is expected to fall dramatically.

We have identified the stages that we need to go through to move to an asset management approach. Specific areas of notable progress in this regard in 2014 were as follows:

- Real-term reduction in the cost of individual resurfacing projects
- Over 250 remedial works across the island
- Continuing review of laws covering damage to the roads
- Clearer prioritisation of works
- Using the condition survey to predict future deterioration of the roads and calculate future expenditure required on the roads
- Updating the condition survey to provide ongoing assessment of the condition of all the island's roads
- Streamlining and clarification of the procedure for the adoption of new, residential and commercial estate roads was approved by the States of Deliberation
- Production of quarterly reports for all utilities highlighting outstanding reinstatement works – this continues to reduce the number of outstanding works. Working together with the Traffic & Transport Services section of the Environment Department to limit availability of closures to utilities that do not undertake timely reinstatements has further reduced this
- Improved contracts in 2014 requiring that contractors find efficiencies in the way they work
- More stringent control of the requirements for 'approved contactor' status

- Continuing closer, joined-up working with Planning & Building Control to ensure those carrying out development near roads are made formally aware of the need to liaise with us
- Development of closer working relationships with the Traffic & Transport Services section in other areas of roads matters
- Development of closer working relationships with parishes
- Introduction of a framework contract of rates in 2014 for remedial works. This allows the most cost-effective contractor to be selected, which removes the need for quotations for every job, thereby reducing costs for all parties.

## INCREASED ENGAGEMENT WITH ISLANDERS

As part of our transformation, we are adapting to ensure that islanders are at the heart of everything we do. This means having effective systems in place to record and respond to all feedback that is reported by members of the public, often in relation to newly formed potholes, drainage issues or areas that have suffered from littering.



Any reports such as these are recorded on a database and, where appropriate, inspected by a Highways Inspector to assess the issue and recommend an effective solution. These will then be considered by the project managers. They review the findings and allocate a suitable priority to any works required, based on the scale of the issue and other pending works.

We will provide feedback to the person who raised the issue, providing them with details of how the issue will be resolved and an expected timescale. The aim is to ensure that customers are kept well-informed and treated with respect and courtesy at all times.

It has also been a priority to improve relationships with the parishes. To this end, we have been working with them to target specific areas that have been identified and to assist in presenting the parishes at their best for special events such as floral judging weeks, or when other opportunities present themselves.

We have also been making progress in areas such as clearing hedge cuttings, where the parishes have been helpful in putting pressure on residents to clear up afterwards.

Other areas where Guernsey Roads has been keen to increase parish involvement include development of plans for green lane repair, where a good deal of consultation has taken place. A good example would be the Ruelle des Pelleys in St Pierre du Bois, where a particularly steep section needs some extensive works. The parish have played a major part in helping to arrive at a suitable solution.

## MAJOR RESURFACING WORKS COMPLETED IN 2014

During 2014, Guernsey Roads was able to resurface approximately 11 kilometres of the island's roads, as detailed in the table below:

MAJOR SCHEMES UNDERTAKEN IN 2014	
Grand Fort Road	Ruette des Cherfs
Vazon Coast Road	Route de la Ramee
Ruette Rabey	Rue des Falles
New Street	Rue des Frenes
La Villette Road	Rue des Deslisles
Route de la Margion/Rue de la Maladerie	Les Niaux
Rue des Cambrees	Bank Lane
Rue du Catioroc	Rue des Cambrees
Ivy Castle Lane	Landes du Marche
Route des Cornus junction	The Grange
Clos de Mont Beauvoir	Route du Camp du Roi
Grande Rue	L'Ancrese Road
Les Hubits de Bas	Port Soif Road
Courtil St Jacques Loop Road	Pembroke Car Park Access
Braye Road junction	Jerboung Bus Turning Area
Les Islets Estate	L'Ancrese junction
Le Bigard	Vazon Coast Road (east)
Bosq Lane	La Route de L'Islet

As the programme of works developed, savings were identified and these funds were used to add a small number of additional projects, which are not heavily trafficked and would not otherwise have been prioritised. These included Ruette des Cherfs, Castel, the Jerboung bus turning point and the Pembroke Bay car park access.

## MINOR & REMEDIAL WORKS

One of Guernsey Roads' important functions is to maintain and repair the roads where full resurfacing is not necessarily required. This can include such diverse aspects as repairing potholes and defective reinstatements, improvements to road layout, installation of new 'street furniture' and surface water drainage in and under the road.



In 2014, a number of special projects were undertaken, especially with regard to surface water drainage. One project included the creation of a new granite servitude at Les Prevosts. Following construction, the granite was topped with earth and turfed to continue the existing line and maintain the rural appearance. This has significantly eased the flooding problems which had been quite serious in this area.

Other schemes undertaken to relieve flooding issues include Les Traudes in St Martin, where flooding affected a store and outbuildings; and Rue du Marais in Castel where not only the road, but one of the properties was badly affected by flooding.

In Belval Road, following periods of heavy rain, the area below the school became virtually impassable, with water flowing down the road, rising above property thresholds and causing damage to roadside walls. Improvements were made to both the road and property drainage systems. To ensure best results and to minimise the costs the works were undertaken at the same time by the same contractor.

## RECOVERING THE COST OF DAMAGE CAUSED BY EXCAVATIONS

Roads (including the footpaths) are one of Guernsey's most valuable assets, being vital to the economic, social and environmental wellbeing of the island. In recent years, the amount of money invested in the roads has not been sufficient to keep pace with the level of maintenance required; in particular, the additional cost of repairing damage caused by other parties.



Coupled with this is an expectation in the community that roads should be maintained to a level of repair which provides a safe journey.

Excavations contribute to a reduction in overall service life of roads. This results in the additional financial burden of costly resurfacing and maintenance work by the States of Guernsey in maintaining prematurely deteriorated roads. Were it not for excavations, over half of the roads needing repair in 2014 would have lasted many more years. This loss of service life is costing islanders hundreds of thousands of pounds each year.

It was considered that the most equitable way to minimise the Department's additional costs would be to obtain a financial contribution towards the cost of repairs caused by the need to resurface a road earlier than if it had not been excavated. This contribution would allow us to perform further valuable resurfacing work.

During 2014, consultation took place with the major utility companies and the Guernsey Construction Industry Forum. These started with initial discussions about the principles involved and moved on to dealing with the options for implementation of a charging regime. While not welcoming additional charges, the utilities understood that there were cost implications to their works and that some system of charging was justifiable but it was important that it should be fair.

In 2015, further consultation would take place with the aim of producing an acceptable proposal in a Policy Letter (States Report) for consideration by the States of Guernsey. If approved, it is intended to introduce the charging regime in 2016.

## 4). Health, Safety & the Environment

### HEALTH & SAFETY AT WORK

The health, safety and welfare of its workforce is at the heart of Guernsey Roads' work. During 2014, work commenced the updating of the Health & Safety Policy document. This involved developing revised Risk Assessments and Method Statements for all aspects of our operations.



Additionally, work to develop a new 'on the go' personal Health & Safety Booklet has started. This will be issued to all staff, addressing most aspects of daily work, especially those which are undertaken out of the office and on-site. This manual would be finalised in 2015 and is designed to be used in conjunction with the formal documents mentioned above. Fundamentally it will provide a handy guide to Health & Safety in a form which can be easily accessed and is written in plain English.

### ENVIRONMENTAL IMPACT & CONSIDERATIONS

Guernsey's network of roads, apart from being a major asset, are a major part of the island's infrastructure. As such, they have a major impact on the environment. While in recent times, there have been few new road construction projects, there are a number of aspects of our operations which impact on the environment on a daily basis, including resurfacing, improvements, changes to layout, accommodation of other works (both public and private) and repairs to potholes and other deteriorating areas.



From an environmental perspective, long-term planning for the public highway also ensures that areas of the public highway are not left to deteriorate and are maintained as part of a planned programme.

We are acutely aware that roads contribute to both the street scene and the island's character. In more sensitive areas, such as Guernsey's network of 'Green Lanes', and where we have responsibilities for trees, specialist contractors are used who have great knowledge of the special considerations required. These contractors are required to produce full method statements, which are assessed to ensure suitability prior to the awarding of contracts.

### PEOPLE

A system of monthly one-to-one meetings was implemented in 2014, together with a monthly team meeting. These enable staff to express and share their thoughts and ideas, together with any concerns. Individual targets and responsibilities are addressed, which enables each staff member to take ownership of their specific roles and measure their own performance against targets.



As usual, sickness absence levels within Guernsey Roads continue to be low and short-term sickness absence is negligible.

## Appendices

### Appendix 1 – Financial Report

2014 Original Budget (£'000s)	2014 Total Authorised (£'000s)	Net Expenditure by Budget	2014 Actual (£'000s)	2013 Actual (£'000s)
<b>1,208</b>	<b>1,208</b>	<b>Road cleansing</b>	<b>1,181</b>	<b>1,270</b>
<b>2,626</b>	<b>2,656</b>	<b>Road resurfacing &amp; reconstruction</b>	<b>2,553</b>	<b>2,221</b>
<b>386</b>	<b>386</b>	<b>Minor repairs and maintenance</b>	<b>385</b>	<b>355</b>

2014 was a further transitional year for us as we progressed changes to the management of the highways under new leadership. In developing the 2014 resurfacing programme, the team had identified new efficiencies which would not have a negative effect in the long-term and reduced costs, which meant that savings were made. As a result, several additional resurfacing projects were undertaken on minor roads.

Ongoing roads maintenance programmes do not readily fit within annual budget cycles. Works for the following year's resurfacing programme are finalised by the summer of the previous year - this is because utilities need to perform works in the road at least six months before the road is resurfaced, to allow for settlement and the closures need to be programmed well in advance to take account of the utilities' network maintenance programmes.

Of the £2,656k budgeted for roads resurfacing and reconstruction, approximately £300k was allocated to staff wages, IT system maintenance, equipment and other general administrative costs. £40,000 did not need to be used in this budget in 2014. For 2015, these budgets have been separated from the maintenance budget to allow for more accurate forecasting and reporting.

In 2014, a budget of £2,330k was allocated to actual repairs, including an amount to cover contingencies. During the year, a number of savings were made late in the year, which included:

- Vazon Coast Road – finished early
- Rue des Bordes – could not be undertaken in December due to flooding

These savings being generated late in the year and the allocation of budgets on an annual basis meant that there was not enough time left in the year to enable additional works to be programmed. This meant that approximately £60k was left unspent from the maintenance budget.

2014 built upon the changes made in 2013 and by re-evaluating how works are carried out in partnership with our contractors, we managed to resurface a greater area for the same budget without reducing the service life of the road - we resurfaced almost 10,000m<sup>2</sup> more road area for the same budget. This is the equivalent road area measured from the St Julian's roundabout to the Longstore. This area equates to a value of over £400,000, and while the budget has remained identical, labour and material costs have increased by an average of around 3% across the £2.7 million budget for works in the road.

We continue to work hard to find further efficiencies, and we must drive forward improvement in the management of the finances of roads. In many ways 2014 was a testing year because of the continuing transition to a new way of operating. Such change presents challenges and there has been

some overlap between the old and the new. 2015 will continue the process and it is expected that, by the end of this year, the final major part of the transformation process will be complete.

## Appendix 2 – Looking Forward

2015 will continue the theme of transformation for Guernsey Roads as it progresses its drive to reduce costs in real terms without reducing the long-term performance of the asset. Continued efforts to find additional savings wherever possible may occasionally result in a project estimate that is slightly high but staff will work hard to programme-in additional works to maximise the amount of work it carries out within its budget.

This has to be the ultimate aim as it is proven that earlier intervention in maintaining assets reduces costs in the long-term and the phrase '*a stitch in time saves nine*' certainly applies. There is a need to act. The roads have been allowed to deteriorate over the years for a variety of reasons, and the deterioration will continue without additional investment leading to a negative impact on island life. Counteractive action is needed and Guernsey Roads produced a business plan in 2014 setting out how it would address the deteriorating roads.

This business planning process led to the development of proposals to introduce a charge which, if approved, would be levied against utilities and other organisations which excavate in the public highway, as each and every excavation reduces the service life of the road surface and the cost of this is currently borne by the States and the island's taxpayers.

Charging organisations a fair sum as a contribution towards this additional cost will help Guernsey Roads to introduce further improvements to our island's roads which would otherwise not have been undertaken.

## Appendix 3 – Acknowledgements & Contact Details

It is worth making special note of the level of pride taken by the team in the various types of work undertaken, whether that is resurfacing, repair, planning, administration or policy development. Without the level of commitment shown by the team, Guernsey Roads would not have been able to achieve what it has in 2014 and expects to continue to achieve in 2015.

### CONTACT US

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