NOTICE OF MOTION RELATING TO THE TRANSFER OF OWNERSHIP OF THE CLEDDAU BRIDGE

The following Notice of Motion submitted by Councillor R P Kilmister has been referred to Cabinet for consideration and report back to Council for determination; such motion being in the following terms:

That this Council start negotiations to achieve a satisfactory transfer of ownership of the Cleddau Bridge to the Welsh Government in line with its recent National Transport Plan ensuring that the bridge which is located in the Haven Waterways Enterprise Zone becomes toll free.

Councillor Kilmister's written submission in support of his Notice of Motion is attached as an Appendix.

Background

The issue of Trunking of the Cleddau Bridge was raised as a Question to Council by Cllr Kilmister on 22 October 2015. In responding to Cllr Kilmister's query “Does the Leader not think that the time is now right to open negotiations with the Welsh Government for them to trunk this road and end the tolls?”, the Leader responded by noting:

In the National Transport Finance Plan, which has been recently issued, there was a delivery schedule which included a review of “Welsh Government’s Strategic Network”, specifically the action “Continue to progress proposals to potentially trunk the following sections of highway”, which included the “A477 Pembroke Dock to Johnston (Pembrokeshire)”.

The idea of trunking this road was not a recent one; for example, the Welsh Government’s Review of Trunk Roads 2002 contained the proposal “To trunk the A477 from Pembroke Dock to Johnston”. Mr Roberts, the former Director of Technical Services at the Authority, had sent a letter to Welsh Government dated 3 December 2002 noting “It is this Council’s position that the transfer to the Trunk Road network of the Bridge and the section of principal road identified should not be undertaken without a commitment to permanently and simultaneously abolish the tolls, for which we understand amending legislation would be required”.

Appendix
In early 2014, the Authority had again been approached by Welsh Government, who noted “Welsh Government has been examining the potential trunking of sections of local highway networks within Wales in supporting business and economic growth and providing end to end journeys”, and “As a result of a preliminary assessment completed recently, we are currently examining the trunking of the A477 between Pembroke Dock and Johnston”. Welsh Government had been sent relevant technical information in August 2014, specifically in relation to the condition survey data, asset valuation and lifecycle plans to assist in its review.

**Review Work**

The Economy Overview and Scrutiny Committee Task and Finish Group was tasked with addressing a Notice of Motion relating to the Cleddau Bridge in 2014. A report covering the findings of the Task and Finish Group was made to the Economy Overview & Scrutiny Committee on 20 March 2014, which reported on: the legal and financial context in which the Cleddau Bridge operates; review of the economic impact; and recommendations with regards to the future management options and efficacy of trunking the A477. The full report of that Committee can be found at: [http://mgenglish.pembrokeshire.gov.uk/Published/C00000292/M00003005/Al00019988/$CleddauBridgeNOMREPORT.docx.pdf?LLL=0](http://mgenglish.pembrokeshire.gov.uk/Published/C00000292/M00003005/Al00019988/$CleddauBridgeNOMREPORT.docx.pdf?LLL=0)

In September 2014, the Council’s Statement of Accounts for 2013-14 was submitted to the Corporate Governance Committee for approval and signing. However, the Appointed Auditor for the Wales Audit Office (WAO) was unable to issue his audit opinion at that time, due to an outstanding objection in respect of the Cleddau Bridge. It was resolved that the Statement of Accounts for 2013-14 be approved and signed, but would need to be brought back to the Corporate Governance Committee for re-approval once the Appointed Auditor had issued his audit opinion. In the event, after further clarification, the Appointed Auditor was able to issue his opinion. The unqualified audit opinion was issued with an emphasis of matter paragraph relating to the current accounting arrangements for the Cleddau Bridge and the work that is to be carried out to clarify the future financial management arrangements of the Bridge. An identical audit opinion was issued for Council’s Statement of Accounts for 2014-15.

Following on from this, an additional review has recently commenced. Officers from the Finance and Highways teams have been carrying out more detailed work to consider the future accounting arrangements and financial position of the Cleddau Bridge incorporating a full lifecycle costing exercise for the highway link (as defined under the Pembrokeshire County Council Act 1965 / Dyfed Act 1987). The length of road covered by these Acts is most of the 8km stretch of the A477 highway which runs from approximately Sunncroft Roundabout, near Johnston, to Waterloo Roundabout, Pembroke Dock. Officers have therefore been compiling more detailed information on lifecycle information, tolling provisions and finance arrangements. This work has not yet been completed, but has some synergy with a further piece of work which is now under way.

The Haven Waterway Enterprise Zone Board wish to develop an economic strategy for the County to guide its work which builds on the economic
baseline work it has completed. The Enterprise Zone Board has recently requested work include review of the economic impact of the Cleddau Bridge (toll) on the local economy. The Council has commissioned a consultant to work on this study and to liaise with officers of the Finance team in relation to the information which is already under production for the financial review.

Furthermore, it has recently been reported that the Minister has given some indication of an aspiration to trunk the road. The following article refers. http://m.westerntelegraph.co.uk/news/14125570.Future_of_Cleddau_Bridge_tolls_in_doubt_as_Welsh_Government_confirms_plan_to_trunk_road_to_Pembroke_Dock/

Following on from the earlier liaison work in August 2014 mentioned above, Welsh Government has indicated a desire to work with the Council to establish the costs of maintaining the road, and how these relate to the revenue received from the tolls. The work will make reference to and tie in with the work to obtain information on the impact of the tolls on businesses in the Enterprise Zone. Liaison will now take place with Welsh Government officers on this matter.

Conclusion

Significant review work has already been undertaken on and reported on in relation to the Cleddau Bridge (and linked roads / structures under the relevant Acts) on this matter. Officers have already been undertaking further review work to provide information on the financial position of the Cleddau Bridge and the future bridge management and accounting arrangements. Recent contact through the Enterprise Zone and Welsh Government supports further coordination of this work stream, with the aim of both studying the impact of tolls, the cost of operation, and the management arrangements. To this end, the Council is already in the process of actively examining the future of both tolling, and potential future ownership of the Cleddau Bridge.

Comments by Chief Finance Officer

The current financial position of the Cleddau Bridge is shown on pages 56 and 57 of the Council’s Statement of Accounts for 2014-15.

Should ownership of the Cleddau Bridge be transferred to Welsh Government and the Council receive no proceeds from the transfer, it would lose net income of £1.9m per annum.

Comments by Head of Legal and Committee Services/Monitoring Officer

There are no legal issues arising from this report.

Comments by Head of Human Resources

There are no human resources issues arising from this report.
RECOMMENDATION:

That the Notice of Motion be not adopted, as review work is already in progress.

REASON FOR RECOMMENDATION:

To address a Notice of Motion referred from Council.

Background Documents:

Statement of Accounts for 2014-15
Supporting Submission - Notice of Motion relating to the transfer of ownership of the Cleddau Bridge

That this Council start negotiations to achieve a satisfactory transfer of ownership of the Cleddau Bridge to the Welsh Government in line with its recent National Transport Plan ensuring that the bridge which is located in the Haven Waterways Enterprise Zone becomes toll free.

Quite simply it is time for this Council to accept that it is necessary to make this essential route free of charge to boost the economy and reduce the effect on residents of Pembrokeshire rather than just providing a source of income for the Council.

We have the only toll bridge apart from the Severn bridges on a major road link in Wales. We have the only toll bridge within an Enterprise zone.

It is clear that Welsh Government now want to make progress on this issue and this Council should make every attempt to facilitate that change.

Councillor R P Kilmister