

Between a rock and a hard place? Managing Carmarthenshire's roads

Carmarthenshire County Council

July 2026

We have prepared and published this report under Section 17(2)(d) of the Public Audit (Wales) Act 2004 and Section 15 of the Well-being of Future Generations Act (Wales) 2015.

© Auditor General for Wales 2026

You may re-use this publication (not including logos except as an integral part of the document) free of charge in any format or medium.

If you re-use it, your re-use must be accurate and must not be in a misleading context. The material must be acknowledged as Auditor General for Wales copyright and you must give the title of this publication. Where we have identified any third party copyright material you will need to obtain permission from the copyright holders concerned before re-use.

If you need any help with this document

If you would like more information, or you need any of our publications in an alternative format or language, please:

- call us on 029 2032 0500
- email us at info@audit.wales

You can use English or Welsh when you get in touch with us – we will respond to you in the language you use.

Corresponding in Welsh will not lead to a delay.

Mae'r ddogfen hon hefyd ar gael yn Gymraeg.

Audit Wales follows the international performance audit standards issued by the International Organisation of Supreme Audit Institutions (INTOSAI).

Contents

Audit snapshot	4
Key facts and figures	6
Our findings	7
Recommendations	13
Appendices	15
1 About our work	16
2 Key terms in this report	17

Audit snapshot

What we looked at

- 1 In this audit we looked at how effectively Carmarthenshire County Council (the Council) plans, funds and manages its highways network. We considered how it applies the sustainable development principle and secures value for money both today and in the future.
- 2 This included looking at how the Council balances short-term pressures with longer-term outcomes, particularly the balance between preventative and reactive maintenance.
- 3 The Council is legally required to maintain its highways under the Highways Act 1980. The highways network includes class A, B, C and unclassified roads. The Council's highways network does not include trunk roads that the Welsh Government maintains.

Why this is important

- 4 The highways network supports daily life across Carmarthenshire. It enables people to travel safely for work and leisure, businesses to operate, and essential services such as schools, food supply and healthcare to function. The network also supports community well-being and the local economy.
- 5 But, the condition of the network is under significant pressure. Pressures include changing weather and travel patterns and long-term funding reductions. Those pressures can affect the Council's ability to maintain roads to an acceptable standard across its whole network, both today and ensuring this is sustained in the future.

What we have found

- 6 The Council manages highways against a challenging backdrop. In real terms, its funding for highways and roads has fallen by 40% since 2008-09. Those decisions have reduced the Council's ability to manage its highways network in a sustainable and cost-effective way. The Council's focus is now risk-based and increasingly reactive rather than preventative. This increases the risk that future road conditions will worsen and costs will rise.
- 7 The Council's own data shows that its current approach is not sustainable in the longer term. Its risk-based approach has enabled it to maintain the condition of classified roads. But, this has been at the expense of unclassified roads, which make up almost half of the network. The Council's data shows an increase in the number of unclassified roads in need of urgent work. Across the whole network, the number of reported potholes increased by 456% between 2020 and 2024. Overall, the declining road conditions could have significant implications for residents, businesses and communities who rely on the highways network for access and connectivity.

What we recommend

- 8 We have made four recommendations to support improvement.
- 9 They focus on strengthening the Council's long-term, sustainable approach to highways management, including understanding future road condition and risks under different funding scenarios.
- 10 The recommendations also aim to improve transparency and strengthen how highways risks are defined and monitored at a corporate level.
- 11 Finally, the recommendations highlight the need to strengthen how the Council assesses and achieves value for money in its highways management.

Key facts and figures

- The Council manages a network measuring 3,541km.¹ This is the second longest in Wales. The network is made up of:
 - A roads – 251km (7% of the network)
 - B roads – 332km (9% of the network)
 - C roads – 1,283km (36% of the network)
 - Unclassified roads – 1,675km (47% of the network)
 - Carmarthenshire's highways network is the third busiest in Wales.
-
- Between 2008-09 and 2024-25, the Council's Aggregated External Finance reduced in real terms (that means adjusted for the effect of inflation) by 0.3%.
 - £21.52 million: real terms spending by the Council on highways and roads in 2008-09.
 - £13.03 million: real terms spending by the Council on highways and roads in 2024-25. This represents a 40% reduction over a 16-year period.
 - The proportion of the Council's total service expenditure on highways and roads has reduced from 5% in 2010-11 to 2.3% in 2024-25. In 2024-25, this was above the Wales mean of 1.99%.
 - In 2024-25, the Council's average spending per kilometre of road was £5,317. This is about half of the Welsh average, which was £9,640 per kilometre.
-
- The Council's published data on reported potholes shows a 456% increase – from 1,978 potholes in 2020 to 11,014 in 2024.²

¹ gov.uk,RDL0202: [Road length \(kilometres\) by road type and local authority in Great Britain 2024](#)

² Audit Wales analysis of Council data presented in the Highways Asset Management Annual Report 2025

Our findings

Funding decisions over time have undermined the Council's long-term highways planning

- 12 In real terms (meaning when adjusted for the effect of inflation), the Council's funding for highways and roads has fallen by 40% since 2008-09. This is in line with the average reduction across all councils in Wales. This change has limited its ability to plan and fund highways maintenance on a long-term, sustainable basis. In that time, the Council has prioritised funding for services such as social services and education. It now estimates its highways maintenance backlog to be at least £77 million.
- 13 The Council's Highways Asset Management Plan (HAMP) 2018 outlines its approach to managing its network. As a result of the declining funding, the Council now takes a risk-based approach. The Council's approach is in line with national codes of practice.³ The Council's HAMP sets out that the Council now keeps the network 'well-managed' rather than 'well-maintained'. Overall, its approach has led to worsening road conditions on unclassified roads and an increase in reported potholes.
- 14 The Council's funding is insufficient to effectively address highways condition. In 2025-26 and 2026-27, the Council allocated £9.5 million to highways and roads. This includes Welsh Government grant funding of £7.9 million. This figure is significantly below the £16 million the Council estimates it needs over the two-year period to maintain the road network in a standstill condition (prevents deterioration only; no improvement). As a result, road conditions will worsen further over time.

³ Chartered Institution of Highways and Transportation, 2016, [Code of Practice 'Well-managed highway infrastructure'](#)

- 15 The Council's risk-based approach focuses on main roads but is leading to the worsening condition of unclassified roads. Despite the real-terms reduction in funding, the Council has managed to maintain the condition of its class A, B and C roads. Unclassified roads make up 47% of the county's highways network. Unlike Class A, B and C roads, there is no nationally agreed approach to assessing and recording the condition of unclassified roads. In the past two years, the Council has developed its own approach to help it understand the condition of its unclassified roads. This helps with prioritisation across the whole network. The Council's data shows an increase in the number of unclassified roads in red condition (requiring immediate corrective action). This poses a risk and could have significant consequences for those living in remote communities and who rely on rural roads.
- 16 This worsening condition of unclassified roads reflects the Council's reduced funding to highways. The Council's focus is now more on managing safety risks on higher-priority routes, with fewer resources available to keep the whole network, including unclassified roads (47% of the network by length), in a stable condition. This shows a clear trade-off, driven in part by the Council's strategic funding decisions rather than operational weaknesses.

The Council's increasing emphasis on corrective works over prevention is less cost effective

- 17 The Council does not always use its limited funding as economically as possible. Its approach to repairing roads combines surface dressing to prevent deterioration, with resurfacing to address roads already in poor condition. Surface dressing is cheaper (it costs around one-third of resurfacing) and typically lasts longer. However, since 2021-22, the proportion of resurfacing schemes has increased from 38% to 44%. This is due to some roads no longer being suitable for surface dressing due to the poor condition of the underlying road structures. As a result, the Council is using its resources less efficiently and economically.

- 18 Fewer roads are now suitable for preventative treatments, reinforcing a cycle of more reactive and costly repairs. This, coupled with limited capacity to strategically plan and oversee programmes, leads to a greater focus on managing roads based on condition rather than delivering a longer-term strategic programme. This shorter-term focus reduces the use of preventative treatments that cost less over time and potentially support a more resilient network. As a result, the Council is unclear how it will move away from short-term reactive approaches to longer-term approaches.
- 19 Although the Council has adopted new approaches, it does not have a structured way to assess if those are effective or offer value for money. For example, to respond to the increasing number of potholes, the Council has invested in three asphalt 'hot boxes'. But the Council does not systematically evaluate if that approach is achieving the intended outcomes. This limits the Council's ability to show that these approaches contribute to improved value for money.
- 20 The Council does not have an agreed long-term plan to address its £77 million maintenance backlog. The Council presented four high-level investment options for highways in late 2025 to the Place, Sustainability & Climate Change Scrutiny Committee. Those options provide annual funding of either £0.6million, £1.6 million, £4 million or £8 million from 2027-28. However, the Council has not set out how feasible those options are within its wider financial position. The Council's Cabinet has agreed, in principle, to provide £3 million in funding in 2027-28 but has not indicated funding levels for future years. That funding level is below the standstill level. This means the Council has not yet taken a long-term, sustainable view of its highways funding.

The Council has a detailed understanding of road network condition but its risk-based approach to prioritisation has limitations

- 21 The Council's risk-based approach to managing its highways contributes to poorer road conditions on lower priority routes which impacts on overall long-term network resilience. It re-assesses its programme of highways management schemes annually, taking account of the road condition which is impacted by changing weather and traffic volumes. The Council's HAMP sets out its network hierarchy and other factors to inform the assessment. The network hierarchy groups roads by importance and purpose. This helps the Council focus activity, manage current safety risks, and set expectations.
- 22 The Council's comprehensive and detailed highways condition data set provides an objective and clear basis for decision-making. The Council gathers extensive condition data using industry standard surveys, defect data and an image analysis tool. It then assesses every road on its network, including unclassified roads, using six factors. The inclusion of local highway managers' input helps to ensure that the Council considers all road types including unclassified roads. It also demonstrates the importance of roads as a key enabler, particularly in rural communities. The Council scores each factor to give a maximum score of 1,000, as set out in **Exhibit 1** below. It then ranks all schemes and creates a prioritised list based on the available funding.

Exhibit 1: Council factors to determine prioritisation of highways schemes

Factor	Maximum factor score
SCANNER data ⁴	200
Coarse Visual Inspection ⁵	200
Safety Carriageway Defects	100
Construction Age (age of surface)	100
Network Hierarchy	200
Local highway manager priority	200
Maximum score	1,000

Source: Carmarthenshire County Council

23 Although the scoring system helps the Council compare routes and prioritise repairs, it has some limitations. These include:

- the Council does not clearly set out the balance of the scoring factors publicly;
- the factors do not take full account of public perception information, other than reported potholes; and
- unclear criteria to determine how local highway managers prioritise, and which schemes to focus on when scores are tied.

⁴ SCANNER is an automated, mandatory Surface Condition Assessment for the National Network of Roads survey used across the UK to assess the condition of classified roads (A, B and C roads). Surveys are carried out at traffic speed using vehicle-mounted sensors by accredited providers. It measures Rutting, Cracking, Surface texture and Longitudinal profile (roughness).

⁵ Coarse Visual Inspection manual visual survey, usually carried out from a slow-moving vehicle which records general levels of deterioration, not detailed engineering measurements.

- 24 As a result of these limitations, the Council does not clearly inform councillors or the public why some roads receive investment and others do not. The Council may also be missing opportunities to use public perception information to support its understanding of road users' experience of the network.
- 25 The Council follows established industry practices and national standards to manage highways schemes. This helps schemes meet expected quality and cost. Those arrangements provide a clear framework for day-to-day control of maintenance and improvement work.

Weaknesses in performance and risk reporting limit effective oversight

- 26 The Council does not clearly define its highways risks in its corporate risk register. It focuses on the current issue of deterioration, rather than setting out future potential risks and impacts. This makes it harder for the Council to develop and assess effective control actions. This reduces shared understanding of the medium to long-term consequences of its current approach.
- 27 The Council reports annually on its HAMP. This report is publicly available and considered by the scrutiny committee. But, because of data availability, the report is produced at least six months after the year end.
- 28 The Council holds a large amount of performance and condition data about highways. It has provided a variety of funding options and set out the potential impact of those over time on road condition across all classes. However, it does not consistently link this information to strategic choices or to the impact on outcomes. This limits councillors' ability to:
- understand the consequences of funding constraints;
 - understand prioritisation decisions; and
 - assess if the current approach to highways spending delivers value for money and wider well-being outcomes.

Recommendations

R1 To strengthen its application of the sustainable development principle, maximise the funding available and set out a clear long-term approach to managing its highways network:

1.1 The Council should develop and agree a longer-term framework for managing its highways network (**paragraph 20**). In doing so, it should:

- assess and implement more preventative activity;
- analyse how the Council will maximise the funding available;
- assess the risks for the range of approaches;
- set out how the framework takes account of the sustainable development principle; and
- set out SMART outcomes linked to well-being objectives.

1.2 The Council should then communicate its framework, including its approach to prioritisation, clearly to the public (**paragraph 24**).

R2 To strengthen its arrangements to secure value for money, the Council should develop an approach to assessing the overall value for money of its approaches to managing its highways (paragraph 19**).**

R3 To strengthen corporate oversight and risk management:

- 3.1** the Council should review its corporate risk entry relating to highways to ensure it clearly defines the cause, impact and appropriate control actions for the risk (**paragraph 26**);
- 3.2** the Council should develop an appropriate and proportionate mechanism to consistently capture public perception about highways and report on this to members (**paragraph 24**).

R4 **To strengthen the delivery of its highways management activities:**

- 4.1** the Council should assess the skills and capacity it needs to deliver a more strategic approach, including strategic planning (**paragraph 18**);
- 4.2** the Council should then align capacity and specialist skills to its framework through a resourcing plan (**paragraph 18**).

Appendices

1 About our work

Scope of the audit

The audit covered the Council's approach to managing its highways network.

We undertook this audit in March to May 2026.

Audit questions and criteria

We sought to answer these key questions:

- Does the Council have an effective approach to identify and prioritise its highway maintenance and improvement projects?
- Does the Council have effective arrangements to deliver and manage its highway maintenance and improvement projects?
- Does the Council have effective arrangements to oversee and review the delivery of its highway maintenance and improvement projects?

Criteria

We developed the criteria for this audit drawing on the five ways of working under the Well-being of Future Generations (Wales) Act 2015. We also drew on other recognised highways industry standards.

Methods

We delivered this audit by:

- reviewing key Council documents;
- interviewing relevant officers and the Cabinet Members for highways and sustainability; and
- analysing relevant published and Council-held data.

2 Key terms in this report

Term	Description
Highways network	All roads, pavements and related infrastructure the Council is responsible for maintaining. This excludes motorways and trunk roads that the Welsh Government maintains.
Highways maintenance backlog	The estimated cost of repairs needed to bring roads up to an acceptable condition that have not yet been carried out.
Standstill condition	A level of spending that stops roads getting worse overall but does not improve their condition or reduce the backlog.
Preventative maintenance	Planned work carried out early to stop roads deteriorating, usually cheaper over the long term.
Reactive or corrective maintenance	Repairs carried out after roads have already deteriorated, often more expensive and disruptive.
Surface dressing	A preventative treatment that seals and protects the road surface to extend its life.
Resurfacing	Removing and replacing the top layer of a road after it has significantly deteriorated.
Whole-life cost	The total cost of an asset over its lifetime, including construction, maintenance and eventual replacement.

Term	Description
Value for money	Using resources economically, efficiently and effectively to achieve the best possible outcomes.
Sustainable development principle	The sustainable development principle is defined as acting in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
Well-being objectives	The goals set by the Council to contribute to national well-being goals, such as resilient communities and prosperity.
Risk-based approach	Prioritising work based on assessed risks such as safety, usage and condition.
Network hierarchy	A system that groups roads by their importance and function to help prioritise maintenance.
SCANNER data	A national survey using specialist equipment to measure the condition of main roads.
Unclassified roads	Local roads not designated as A, B or C roads, usually residential or rural.
RAG rating (Red–Amber–Green)	A system used to show road condition, where red indicates the poorest condition.
Red condition road	A road assessed as being in the worst condition band and needing maintenance.

Term	Description
Corporate risk register	The Council's main list of key risks that could affect its ability to deliver services.
Affordability	Whether the Council can realistically fund an activity now and in the future.
Public perception data	Information about residents' views and experiences, such as satisfaction with road conditions.
Hot box	These vehicles allow the Council to deliver higher-quality, longer-lasting repairs because asphalt is laid hot.
Aggregated External Finance (AEF)	The main Welsh Government funding for councils, made up of Revenue Support Grant and redistributed non-domestic rates.

About us

The Auditor General for Wales is independent of the Welsh Government and the Senedd. The Auditor General's role is to examine and report on the accounts of the Welsh Government, the NHS in Wales and other related public bodies, together with those of councils and other local government bodies. The Auditor General also reports on these organisations' use of resources and suggests ways they can improve.

The Auditor General carries out his work with the help of staff and other resources from the Wales Audit Office, which is a body set up to support, advise and monitor the Auditor General's work.

Audit Wales is the umbrella term used for both the Auditor General for Wales and the Wales Audit Office. These are separate legal entities with the distinct roles outlined above. Audit Wales itself is not a legal entity.



Audit Wales

Tel: 029 2032 0500

Fax: 029 2032 0600

Textphone: 029 2032 0660

E-mail: info@audit.wales

Website: www.audit.wales

We welcome correspondence and
telephone calls in Welsh and English.

Rydym yn croesawu gohebiaeth a
galwadau ffôn yn Gymraeg a Saesneg.