

KENT COUNTY COUNCIL

ENVIRONMENT, HIGHWAYS AND WASTE POLICY OVERVIEW AND SCRUTINY COMMITTEE

MINUTES of a meeting of the Environment, Highways and Waste Policy Overview and Scrutiny Committee held in the Darent Room, Sessions House, County Hall, Maidstone on Tuesday, 5 July 2011.

PRESENT: Mr D A Hirst (Chairman), Mr M B Robertson (Vice-Chairman), Mr R E Brookbank (Substitute for Mr R A Pascoe), Mr A D Crowther (Substitute for Mr N J Collor), Mr J M Cubitt, Mr M J Harrison, Mr W A Hayton (Substitute for Mr J D Kirby), Ms A Hohler, Mr S Manion, Mr R F Manning, Mr M J Northey Mrs E M Tweed

ALSO PRESENT: Mr A H T Bowles, Mr D L Brazier Mr B J Sweetland

IN ATTENDANCE: Mrs C Arnold (Head Of Waste Management), Mr J Burr (Director of Kent Highway Services), Mr N Caddick (Resource Manager), Mr R Fitzgerald (Performance Manager), Mrs S Garton (County Performance and Evaluation Manager), Mr D Hall (Future Highways Manager), Mr R Hallett (Head of Finance and Resources - EHW), Ms C McKenzie (Sustainability and Climate Change Manager), Mr H Miller (Acting Finance Business Partner), Mr M Tant (Flood Risk Manager), Mrs C Valentine (Highway Manager), Mr D Whittle (Policy Manager) Mrs K Mannering (Democratic Services Officer)

UNRESTRICTED ITEMS

Prior to the commencement of the meeting-

- (a) *the Chairman informed Members that it was his intention to take Item C5 following Item C1; and*
- (b) *Mr Manning was given the opportunity to explain a misquote in the Sevenoaks Chronicle regarding corporate manslaughter.*

30. Minutes - 8 April 2011

(Item A4)

RESOLVED that the Minutes of the meeting held on 8 April 2011 are correctly recorded and that they be signed by the Chairman.

31. Cabinet Member's and Directors' Update (Oral report)

(Item A5)

(1) Mr Sweetland gave a verbal report on the following issues:-

- Household Waste Recycling Centres
- KHS Restructure/Mobilisation of the new contract
- Member Highway Fund
- Find and Fix 3/Winter Damage Works
- Kent Environmental Strategy

Growth without Gridlock
A21 Dualling Scheme
Thames Crossing
Rail Action Plan for Kent
Regional Growth Fund

(2) Mr Brazier gave a verbal report on the following issues:-

Minerals and Waste Development Framework
Flood Risk

(3) RESOLVED that the updates be noted and copies circulated to Members of the Committee.

32. EHW Directorate/Portfolio Financial Outturn 2010/11

(Item B1)

(1) The report summarised the 2010/11 financial outturn for each of the service units within the EHW Portfolio. Previously, outturn reports to POSCs had included performance outcome information, but this was now covered in the separate Core Monitoring report.

(2) At its meeting on 26 May, Scrutiny Board considered how POSCs could be more engaged in the budget planning process. Scrutiny Board recommended that each POSC should establish an Informal Member Group of up to 5 members which should meet between July and October in order to report back to the November POSC meeting on options for the forthcoming budget. The 2010/11 outturn report was identified as one of the core pieces of information that IMGs would need for the series of meetings.

(3) The overall position for the EHW Portfolio was an under spend of £0.602m. The figure included a rephasing of £0.364m for the MIDAS financial system replacement project, leaving a net real underspend of £0.237m (the Directorate was given a target underspend of £0.2m to contribute towards alleviating future budget pressures). Table 1 of the report set out the original budget, final approved cash limit and spending for each service unit within the EHW Portfolio. The changes between the original budget and final approved cash limit were all within KCC's "virement" rules as set out in Financial Regulations. This represented a movement of £29k compared to the third quarter's monitoring.

(4) The under spend for 2010/11 included a number of areas of committed expenditure which Cabinet agreed should be rolled forward into 2011/12. The figure for this portfolio was shown in table 2 of the report. The balance of the uncommitted underspend (£2.128m) for the County Council was transferred to the Economic Downturn reserve in accordance with the recommendation agreed by Cabinet.

(5) Table 3 of the report identified the planned and actual spend on all capital projects in 2010/11 and the total approved and forecast spending over the lifetime of the projects.

(6) RESOLVED that:-

- (a) the revenue and capital financial outturn for 2010/11 including rollovers for committed projects and changes to the capital programme, be noted;
- (b) the potential impact of variations since the 2011/12 budget was approved, be noted; and
- (c) (i) a Budget IMG be set up to consider options for the forthcoming budget; and
 - (ii) Members provide any comments and guidance on the potential impact for 2012/13 and future years' budgets, to the Democratic Services Officer for reporting to the IMG once established.

33. 2011/12 Budget Savings

(Item B2)

(1) The report set out the process that had been followed to ensure the delivery of the 2011/12 budget savings allocated to the services overseen by this POSC. The delivery of the £95m of savings would be a major factor in delivering the 2011/12 budget on target. However, the overall net budget for 2011/12 was £908m and it was crucial to ensure that the whole budget was delivered on target.

(2) In March responsible managers were asked to 'RAG rate' each of their savings according to the following guidelines:

- Red – detailed plans not yet finalised and/or delivery not totally within our control
- Amber – anything that is between 'Green' and 'Red'
- Green – delivery of savings has already started

Subsequently 'Blue' had been added to the rating for savings that were already delivered and 'in the bag'. The 'BRAG rating' of savings had been an iterative process, and responsible managers provided several updates.

(3) The total savings for 2011-12 for the services covered by the Committee was £11.212m. The savings fell currently under the following "BRAG" categories:

Red	£0m
Amber	£0.250m
Green	£8.097m
Blue (delivered)	£2.865m

(4) Highways saving had recently changed from amber to green as it was largely delivered. The major element of the required service efficiencies would be delivered through the implementation of the new highway maintenance contract which had now been signed and would commence in September 2011. Highways was also nearing completion on its major staffing restructure, which would bring significant staff efficiencies and result in a new approach to highway safety inspections, assessment surveys and customer service and combining activities such as Sustainable Transport and Road Safety.

(5) Other efficiencies were also being secured across all areas of highways business including; revisiting and improving contractual arrangements for traffic and works management systems; improved maintenance capability using more up to date asset inventories, the upkeep of which would now be done through business as usual; reduction in assessment / condition surveys; reductions in energy consumption for streetlights and traffic signals and signs; rationalisation of vegetation control; further reductions in use of term consultancy and the full year-effect of the route optimisation for drainage that commenced in 2010-11 and the continuation of the process through street lighting and highway inspection.

(6) The Waste Service was reviewing the third party recycling credits scheme because the cost of this discretionary function in Kent was very large compared to other waste disposal authorities, and it was believed that the current administration arrangements of the scheme had led to inequalities across Kent.

(7) To date the focus of attention had been on the £95m savings in the 2011/12 budget. It was important to shift the focus to monitoring the overall 2011/12 budget of £908m and to ensure delivery was on target.

(8) During discussion the following issues were raised:-

- (a) Mr Northey referred to reductions in energy consumption for streetlights and asked if there were any plans to switch off streetlights overnight. Following debate it was suggested that the topic could be discussed at JTBs or Locality Boards, with a view to one of the Districts carrying out a pilot study.
- (b) Mrs Tweed requested that at any such discussion, the condition/suitability of pavements be taken into account.

(9) RESOLVED that the progress against the delivery of savings covered by the POSC, be noted.

34. Core Monitoring Report

(Item B3)

(1) The report informed Members about key areas of performance and activity relating to Environment, Highways and Waste, as reported to Cabinet. It included information up to the end of March 2011.

(2) Of the indicators relating to Environment, Highways and Waste in the Core Monitoring, three had a current status of Green, which was up from one indicator previously. Three indicators were currently rated as Red, which was up from two indicators previously. The current Red indicators were :

- UKPN streetlight repairs times (previously Red)
- Routine highway repairs times (previously Amber)
- Freedom Pass (previously Amber)

(3) It should be noted that the Freedom Pass was shown as an activity indicator within Core Monitoring with the RAG rating based on variance to budget. The Red

rating reflected the position that take-up had exceeded the budget and a financial pressure had resulted. The Red rating for the Freedom Pass was not a reflection of performance and overall the Freedom Pass was considered to be a successful scheme with many positive benefits, including reduced congestion and improved choice and access for pupils (ie increased Freedom).

(4) The new reporting framework for 2011/12 was under development and would replace the current Core Monitoring. Within the new framework, attention would be given to ensure activity indicators with financial implication were treated separately from service performance and outcomes for residents/users of services.

(5) Certain Members expressed concern at the timing of the report and that the information submitted was 3 months out of date. The situation was constantly changing and Mr Burr gave a verbal update.

(6) RESOLVED that:-

(a) in future a verbal or brief written update be submitted to the Committee shortly before each meeting; and

(b) the report be noted.

35. KCC's Performance Management Framework - Delivering Bold Steps

(Item C1)

(1) The report set out the steps being taken to finalise the performance framework for delivering 'Bold Steps for Kent' which would go to County Council for approval on 21 July. Attached to the report was the latest iteration of the framework which was still draft and required further development.

(2) Two structured workshops were held with POSC members during May to help develop the performance framework by seeking views on the following areas for each of the 17 strategic priorities set out in 'Delivering Bold Steps':

- The success factors i.e. what was needed to be delivered by March 2015
- The key milestones
- How to measure performance. This was not just about quantitative PI data but should also include the use of qualitative data as well as formal evaluation of the outcomes delivered towards the end of the four year term of 'Bold Steps' for some key projects.

(3) Feedback from the two POSC workshops was being used to help finalise both the milestones and measures for each of the 17 strategic priorities. Whilst Cabinet and the Corporate Management Team had inputted into earlier iterations of the milestones and performance measures, they had yet to endorse or approve the latest draft. Once the measures and milestones had been finalised they would then go to County Council for approval in July.

(4) RESOLVED that the steps being taken to finalise the performance framework, be noted.

36. Member Highway Fund

(Item C5)

(1) Further to Minute 13 of 18 January 2011, recommendations were introduced from 1 April 2011 and included:-

- A more flexible Investigation Fee process
- Shortening the lead time for Cabinet Member approval
- Use of external contractors

The re-structuring of KHS offered many opportunities for greater efficiency across the service. One of the key issues slowing down Member Highway Fund schemes had been the handover across different delivery teams. The new KHS structure would facilitate a more efficient process by creating a “start to completion” team for schemes including those funded through Member Highway Fund. This would shorten lead times and left the whole responsibility for delivery with one team. A team of six dedicated officers had been assigned to deal with highway fund scheme development.

(2) The idea of linking the Member Highway Fund with Locality Boards was an interesting one and worthy of consideration. The Boards could add a great deal of value by being a conduit for schemes and it could act as watchdog and balance for both the type of schemes being chosen by Members and the delivery time taken to complete the work. A more radical solution would be for Member Highway Fund to be pooled into a Locality Board.

(3) Changes introduced to the Member Highway Fund in April were bedding in. There remained a concern amongst Members that schemes were being delivered too slowly and this was justified in some cases. The re-structuring of KHS offered a real opportunity to make a step change improvement in this regard.

(4) Locality Boards could have a pro-active role in guiding Members on scheme content and acting as a “policeman” on scheme delivery.

(5) RESOLVED that the report be noted.

37. Kent Environment Strategy Update

(Item C2)

(1) The report gave an annual update on progress towards delivery of KCC’s commitments under the Kent Forum’s Kent Environment Strategy. It replaced the annual sustainability and climate change update to Policy Overview and Scrutiny Committees. The Kent Environment Strategy had now been agreed by Kent Forum and all Districts. Appendix 1 of the report gave an overview of the key Themes and Priorities and Red/Amber/Green rates progress against each. The Strategy would be launched on the 22 July in Thanet.

(2) As the environment and climate change agenda was so disparate and diffuse, it was essential that KCC focussed on those issues that were most important and which we as a public sector body could influence. Indeed, delivering the Kent Environment Strategy was one of the key priorities identified in Delivering Bold Steps,

KCC's draft medium term plan. It was recommended that KCC put a greater focus on the three following areas:

- More efficient use of resources and reduction in carbon emissions, in particular:
- Building resilience to climate change and making the most of emerging opportunities:
- Conserve and enhance the quality of Kent's natural and heritage capital:

(3) Many areas of policy were still unclear. If KCC was to deliver real improvement another step change in approach would be needed to accelerate change. Strong and visible leadership was crucial. KCC would need to examine in full the way it operated and behaved, identifying smarter ways of working and new ways of delivering services. This would need to include greater virtual working, better use of tele/video conferencing and increased online delivery of services or functions online. Step change physical improvements in the KCC estate, as well as increased stimulation of capital investment in local energy efficiency and renewable energy installations in Kent would need the development of innovative finance arrangements and partnerships. Creating a positive and vibrant green image for KCC and Kent would be essential. Much would need to be developed in partnership and require meaningful engagement with residents and businesses. A key aspect of the engagement would be to raise the profile of the issues outlined in the Kent Environment Strategy and create clear communications that informed, engaged and excited residents, Kent businesses and potential inward investors in Kent.

(4) KCC continued to meet the ISO 14001 Environmental Management Standard, with a successful external assessment in May 2011. The next assessment was due in November. The picture for carbon emissions was mixed. The non-school buildings emissions had reduced by just over 5% since 2004 and further reductions were expected during the next 2 years as the estate efficiency programme made an impact. KCC continued to invest in energy, water and carbon reduction, mainly through its Energy and Water Investment Fund (EWIF) hosted by Enterprise and Environment.

(5) The latest waste data showed office waste recycling was at best practice level at 66%, exceeding the 2010 target set of 50%. The end of year data for 2010/11 showed mileage claimed for EHW as just less than one million miles, representing an overall decrease of 21.5% when compared to the previous year and a decrease of 23% when compared to 07/08.

(6) In March this year, KCC was awarded the Improvement Efficiency South East award for Progress through Innovation for the development of the Kent Climate Change Adaptation Plan. Kent was now a leading case study for its approach to tackling the impacts of climate change, and KCC sat on the Government's Local Adaptation Advisory Panel.

(7) Through the creation of the Carbon Hub online support service, using an ERDF grant of almost £400,000, KCC was now moving towards more virtual low carbon support that could reach a greater number of businesses in Kent. To date over 500 businesses had registered on the Carbon Hub and received regular support from energy/water advice, travel and green marketing. A targeted green business support package, building on the work of the Carbon Hub was being developed in partnership

with Business Strategy and Support and Economic Development in Environment and Economy. Bids were being considered for ERDF funding and also the KCC Regeneration Fund.

(8) Much progress had been made, and some quite significant savings. However, the trajectory with regards to environment being seen as a national priority was upwards, and if KCC wished to be on the front foot and at the forefront of change then a new level of activity would be needed to ensure continued progress and innovation.

(9) During discussion the following issues were raised:-

- (a) Mr Crowther requested more detail on the £60,000 in trialling new technologies including 6 LED lighting projects. Mrs Arnold undertook to supply the details to Mr Crowther direct.
- (b) Mr Manion referred to the increase in emissions from the schools estate and asked if it still included Academies. Mrs Arnold stated that KCC was still accountable for Academies carbon emissions, but was an issue that needed to be debated.

(10) RESOLVED that:-

- (a) the overall progress made by KCC and the Enterprise and Environment Directorate, especially the re-accreditation to ISO14001, be noted; and
- (b) the priorities and recommended approach outlined in the report, be noted.

38. Preliminary Flood Risk Assessment for Kent *(Item C3)*

(1) The Preliminary Flood Risk Assessment (PFRA) had been prepared to meet KCC's duties to manage local flood risk and deliver the requirements of the Flood Risk Regulations (the Regulations). The Regulations were a transposition into UK law of the EU Floods Directive (Directive 2007/60/EC). The PFRA provided a high level overview of flood risk and identified areas of significant flood risk that needed to be investigated in subsequent stages of the Regulations.

(2) Kent County Council was defined as a Lead Local Flood Authority (LLFA) under the Regulations. As such, Kent County Council was required to undertake the PFRA for local flood sources of surface water, groundwater and ordinary watercourses (all watercourses other than main river). The Environment Agency was responsible for the assessment of fluvial (main river) and coastal flood risks.

(3) The PFRA had been produced in accordance with Environment Agency and Defra guidance, which required KCC to report on:-

- (a) Areas of significant flood risk;
- (b) Past flood events with significant harmful consequences; and

(c) Future flood risks

(4) Kent was estimated to have the highest risk from surface water flooding in England. Approximately 70,000 properties across Kent were estimated to be at risk during a severe rainfall event. As Lead Local Flood Authority, KCC would have to address the risk through appropriate flood risk management.

(5) As Lead Local Flood Authority under the Flood and Water Management Act 2010 KCC had new duties to prepare a Local Flood Risk Management Strategy (the Local Strategy). The Local Strategy would be funded through the new Lead Local Flood Authority element of the Local Services Support Grant, and would have an impact on other areas of service delivery in KCC, including Highways and Emergency Planning.

(6) KCC was required by the Flood Risk Regulations 2009 to produce a Preliminary Flood Risk Assessment (PFRA) by 19 August 2011, and the PFRA would be used to develop a strategy for managing the risks to properties from those sources of flooding as required by our Lead Local Flood Authority role (Flood and Water Management Act 2010).

(7) RESOLVED that the flood risk that Kent now had a strategic duty to oversee, be noted.

39. Winter Service 2010/11 Review

(Item C4)

(1) The report detailed the actions taken due to the severe weather experienced at the end of 2010 and other actions taken by Kent Highway Services to manage the winter service. It was generally accepted that the winter service during 10/11 was a significant improvement on the previous year, and it was vital that year on year learning and improvements continued to be built into the winter plan.

(2) The allocated budget for winter service for 2010/11 was £2,490,581. There were two snow emergencies on 1st to 5th and 18th to 24th December 2010 the respective cost of which were £718,010 and £925,922. Apart from these the total expenditure on winter service for 2010/11 was circa £3,160,000.

(3) Last year a consultation exercise was carried out of the winter service delivered by Kent Highway Services. The final consultation report was produced by Ipsos MORI on 12 June 2010. As a result of the consultation a number of specific actions which included - Joint working with district councils; Salt bags; and Media and communications.

(4) Over 180 famers assisted in clearing snow in rural areas on snow days. Last year the decision was taken to renew the existing contracts and replace them with new three year contracts. The majority of the farmers renewed and a few new ones were taken on.

(5) There were currently over 2000 salt bins located around the county. The 2010/11 winter service policy stated that salt bins were purchased by KHS after they had been assessed by an engineer. A set budget was allocated and salt bins were provided according to the score up to the budget limit. KHS then filled and maintained

the bins. Additionally Members could use their Member Highway Fund to purchase salt bins on behalf of parishes (this would be allowed even if the proposed site did not meet the required score).

(6) Some parishes and community groups had expressed a desire to purchase and maintain their own salt bins and therefore Members of the committee were asked to consider the two options presented below and make a recommendation on which option should be included in this year's Winter Service Policy:

Option 1 – Status Quo – as stated above

Advantages – salt bins were limited and managed by KHS and this limited the proliferation of salt bins around the county. Costs could be managed for future maintenance and filling

Disadvantage – did not meet the wishes/needs of all parishes and community groups

Option 2 – Parishes and community groups purchased their own salt bins

Advantages

- (i) Parishes took control of what was bought for their own area
- (ii) They take responsibility for future maintenance and filling

Disadvantages

- (i) Increase in salt bins across the county, potentially with some that were not necessary in areas where KHS already provided winter service gritting
- (ii) From previous experience it was likely that in time these might become the responsibility of KHS in respect of maintenance, replacement and filling

(7) RESOLVED that:-

- (a) Option 2 above be recommended for adoption for the provision of salt bins for the 2011/12 winter period; and
- (b) the report is to be noted.

40. Select Committee - update

(Item D1)

(1) The report updated Members on the following reviews which were underway – Educational Attainment at Key Stage 2; The Student Journey; and Dementia.

(2) RESOLVED that:

- (a) the review work currently underway be noted; and

- (b) Members advise the Democratic Services Officer of any topics which they would like to put forward for consideration for inclusion in the future Select Committee Topic Review Work Programme.