

## KENT COUNTY COUNCIL

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### 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 Thursday, 12 January 2012.

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

ALSO PRESENT: Mr B J Sweetland and Mr D L Brazier

IN ATTENDANCE: Mr M Austerberry (Corporate Director, Environment and Enterprise), Mrs C Arnold (Head Of Waste Management), Mr J Burr (Director of Highways and Transportation), Mr P Crick (Director of Planning and Environment), Mr R Fitzgerald (Performance Manager), Mr D Hall (Future Highways Manager), Mr H Miller (Acting Finance Business Partner), Mr S Palmer (Head of Highway Operations), Mr T Pierpoint (Public Transport Team Leader), Mr T Read (Head of Highway Transport) and Mrs K Mannering (Democratic Services Officer).

### UNRESTRICTED ITEMS

#### 1. Minutes - 22 November 2011

*(Item A4)*

(1) Mr Manning referred to paragraph 52 of the Minutes, and updated Members on the progress of the Working Group set up to consider the management of road works across Kent. The working group had met to decide its objectives in looking at reducing congestion. An in-depth report would be submitted to a meeting of the new Cabinet Committee.

(2) RESOLVED that the Minutes of the meeting held on 22 November 2011 are correctly recorded and that they be signed by the Chairman.

#### 2. Cabinet Member's Update (Oral Report)

*(Item A5)*

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

##### *Planning & Environment*

Local Development Frameworks

Minerals and Waste Development Framework (Delivered by Mr Brazier)

Flood Risk Management (Delivered by Mr Brazier)

##### *Waste Management*

Household Waste Recycling Centres; Eat Kent Project; and Mid Kent Project

*Highways & Transportation*

General Overview; Winter Service; Parish Handy Man Scheme; Highway Management Centre (HMC); and Member Highway Fund

*Regeneration Projects*

Cyclopark (Delivered by Mr Brazier)

(2) RESOLVED that the update be noted and a copy circulated to Members of the Committee.

**3. Financial Monitoring 2011/12**

*(Item B1)*

(1) Members were asked to note the November budget monitoring exception report for 2011/12, reported to Cabinet on 9 January 2012.

*Revenue*

(2) The overall position for EHW Directorate reported to Cabinet on 9 January showed a reduction of £249k in the forecast underspend since the previous monitoring.

(3) A shortfall in the Commercial Services contribution of £349k had been identified which was due to a combination of a reduction in lease car numbers and an inability to absorb unbudgeted Total Contribution Pay (TCP) costs. Cabinet had been asked to approve a virement of £199k from the Finance and Business Support portfolio to offset the shortfall on lease cars. A review of activities within the Partnership and Behaviour Change element of the Waste budget had identified an additional £100k saving.

*Capital*

(4) There had been a small number of adjustments to the predicted capital outturn, which were explained in the November exception report, with further information contained with the October full monitoring report.

(5) RESOLVED that the budget variations for the EHW Portfolio for 2011/12 based on the November exception report to Cabinet be noted

#### **4. Budget 2012/13 and Medium Term Financial Plan 2012/15**

*(Item B2)*

(1) The Committee considered budget proposals for the Environment, Highways and Waste Portfolio, with reference to the draft KCC budget launched on 20 December 2011. Members were invited to comment on the key issues on the proposed budget changes for the services provided by the Enterprise and Environment Directorate.

##### *Revenue Budget Proposals*

(2) The draft budget book included a portfolio summary, an updated A to Z of services and for the first time a detailed variation statement for each line in the A to Z showing all the changes between 2011/12 and 2012/13. The introduction of an A to Z of services rather than a portfolio by portfolio presentation of the budget was largely welcomed last year.

(3) The MTFP set out the overall assumptions about the likely resources available over the next 3 years. It also set out the forecast additional spending demands and the savings/income which would be necessary to achieve a balanced budget each year. The savings had been expressed as target amounts for efficiencies and service reforms under a number of themes. The MTFP included a portfolio by portfolio analysis of the main changes within the proposed 2012/13 budget. This was presented in the same format as the previous multi year presentation. Experience had shown that although a 3 year plan by portfolio was produced, nearly all of the issues related to the first year and the detail for years 2 and 3 were largely aspirations and changed significantly when the budget for those years came to be approved at a later date.

(4) As in 2011/12 the detailed budgets for individual service units and budget managers would be produced after County Council had agreed the draft budget in A to Z format. The detailed manager analysis would include staffing information for individual units.

##### *Capital Budget*

(5) The starting point for the capital programme was the existing published capital programme for 2011/14. The presentation of the capital programme for individual schemes had been revised to shift the focus away from planned spending year by year and more towards the totality of spend and how this was financed. It would enable debate to focus on the merit of schemes, their affordability and overall timeliness rather than the detail of re-phasing individual amounts between years.

(6) During debate Members were assured that should the Government agree to the progress KCC planned for dualling the A21, the cost of a Public Enquiry had been included in the capital budget.

(7) Mr Manning thanked all the officers for the spirit with which they had taken on board the cuts that were needed to deliver almost the same front line services.

(8) RESOLVED that the revenue and capital budget proposals for the Environment Highways and Waste portfolio, be noted.

## **5. KCC Quarterly Performance Report, Quarter 2 2011/12, including mid year Business Plan monitoring**

*(Item B3)*

(1) The Quarter 2, 2011/12, KCC Performance Report was presented to Cabinet on 5 December. A light touch mid year Business Plan monitoring exercise was conducted in November with the aim of identifying achievements and also areas where tasks were not completed.

(2) The Quarterly Performance Report replaced the previous Core Monitoring and was still in development. A summary of performance for quarter 2 for the Enterprise and Environment directorate was provided in Appendix 1 of the report, detailing the main results against the key performance indicators. The process contributed to the management of the overall performance of the authority and the reports were to be published on the external web site as part of KCC's transparency agenda.

(3) A summary of the highlights of the mid year Business Plan monitoring for Enterprise and Environment was set out in Appendix 2 of the report. A number of achievements had been reported by Divisions up to the half year point. The majority of projects, developments and activities were reported as progressing as expected, with completion by the end year.

(4) Mr Cubitt stated that the report showed a massive improvement across the board, and that it was right to recognise and thank the officers for their work.

(5) RESOLVED that the report be noted.

## **6. Highway Management Centre and Highway Network Management**

*(Item C1)*

(1) The report provided an update on how KCC's new Highway Management Centre (HMC) at the Aylesford Highways Depot was helping to improve highway services and network management across the County using technology and by integrating services.

(2) The HMC was opened in September 2011 and was located on the first floor of the new Aylesford Highways Depot. The Centre sought to 'Keep Kent Moving', ensuring the highway network was operating efficiently by:

- managing the day-to-day highway maintenance activity;
- co-ordinating responses to incidents across the County;
- increasing traffic management efficiency; and
- keeping people informed.

(3) The UTMC (Urban Traffic Management and Control) project included investment, initially in Maidstone, in:

- CCTV cameras
- Automatic Number Plate Recognition (ANPR) cameras
- Classified Counters
- Variable Message Signs (VMS)

The project produced a number of measurable benefits including:

- Travel time savings by opening the traffic management centre on Saturdays;
- Travel time savings during incidents of £100,000 per annum in Maidstone based upon the number of incidents recorded; and also
- Increase in under-used car park occupancies and travel time savings of £140,000 as a result of the new Car park VMS, supported by the car park data in Maidstone.

(4) The benefits could be transferred to other towns and the project had been extended to cover Canterbury, Gravesend, Tunbridge Wells and Dartford. The Dartford scheme was underway and would be completed over the current and next financial year. It was expected that development would provide similar benefits to the Maidstone implementation.

(5) The HMC had only been operating for a short time but there had been a number of examples that demonstrated the benefit of integrating services and maximising the use of technology. Two examples were set out in the report. The HMC would also be a key element of the work being carried out to mitigate the impact of the Olympic Games by enabling management of the road network and by working with other agencies.

(6) As the HMC developed, the measurement of the benefits would be key to delivering service efficiency and identifying further areas to explore for improvement. Extending the hours of opening and improving communication links with the Police were key development areas currently being considered. The identification of benefits in the HMC would ensure that funding in the technology that supported the centre was focussed on the areas of maximum benefit. Further expansion was being considered for Ashford if funding was available.

(7) A Member visit to the HMC had been arranged for Thursday, 26 January 2012.

(8) RESOLVED that the content of the report be noted.

## **7. Expectation Management (Service clarity)**

*(Item C2)*

(1) The report outlined an approach to increasing the transparency of the agreed service levels of the Highway & Transportation service. Its purpose was to make clear what could be delivered in these challenging times and to ensure that resources

were best targeted and utilised. Accountability, honesty and deliverability were key to the future success of this high profile service area.

(2) An open and transparent 'expectation management' programme to set out clearly what service level 'our customers' could expect from Highways & Transportation had been developed. Priorities must now be clarified more than ever before, with safety critical matters and programmed asset management remaining of critical importance. The draft appendices to the report were intended to highlight what was done, what had to be done and why. It clearly detailed the levels of service and resource that were to be provided and formed the basis for future communication with customers. As they currently stood they were not intended to be used in isolation. Information published on the KCC website would be clear on the levels of service that residents could expect and how localism/self-help might be able to assist them. It would also help the Contact Centre in answering more calls directly.

(3) A key benefit of the exercise had been in revisiting why things were done and the benefits/outcomes that actions had on the highway asset and the users of the service. This would enable customers to learn more clearly how and why decisions were made. Initial feedback on the initiative had already been extremely positive.

(4) It was important to ensure that the staff in Highways and Transportation embraced localism and that processes were sufficiently flexible to permit local communities to engage where they wished to do so. The openness and transparency would support the concept of local communities adding value to the services that were delivered and would help to mitigate any negativity surrounding budget limitations.

(5) During debate the following issues were raised:-

(a) Mrs Tweed referred to

- (i) the removal of tree stumps following the cutting down of trees and the associated safety aspect. Mr Sweetland stated that he had funded the removal of a number of tree stumps and pavement repairs from his Member Highway Fund.
- (ii) the lack of clarity as to who was responsible for grass cutting, and the need for a definitive list. Mr Burr stated that the County Council was fully responsible for grass cutting in Kent, and undertook to provide a list of which District Councils acted as contractors.
- (iii) funding for roundabout maintenance in Ashford. Mr Sweetland undertook to contact Mrs Tweed direct.

(b) Ms Hohler referred to the published gully cleansing schedule. Mr Burr undertook to circulate the relevant link.

(6) RESOLVED that the report and Members' comments during debate be noted.

## **8. Highways and Transportation Enterprise Term Maintenance Contract** *(Item C3)*

(1) On 1 September 2011, Highways and Transportation commenced a new Term Maintenance Contract with Enterprise AOL, to provide core maintenance services, including;

- Routine maintenance, carriageway, footway structure repairs
- Winter Service
- Emergency out of hour's response
- Drainage gulley emptying and repairs
- Signs and lines maintenance
- Integrated transport schemes
- Street lighting
- Scheme delivery
- Tunnels and Structure

The initial contract term was five years; which could be extended by a further five years but was subject to satisfactory performance and assessment by the County Council. The report detailed an assessment and impact of the contract.

(2) Enterprise had invested heavily in the contract, they had mobilised a fleet of 198 vehicles which included the 63 gritting vehicles. In the first three months of operation 19,836 orders (£5.2m) had been completed, 2,100 salt bins filled and 4,000t out of the 23,000t salt stock had been used and replenished. Kent had invested heavily in training (2,648 hours), which was vital to ensure that officers understood the contract, complied with its requirements and ensured that best value was achieved.

(3) Enterprise and Kent had worked well during the start of the contract. Kent's approach had been to be firm but fair in all commercial/contractual matters, the principles of the price list were robustly adhered to where new rates or pricing queries had been resolved. Routine enquiries reported by the public completed in 28 days were just above standard at 91%.

(4) The contract handover had been almost seamless with only a slight drop in output experienced. Two service areas that were affected were street lighting maintenance and MHF schemes. Both the areas had been subject to increased focus to resolve the delays and actions had been taken to ensure that full programmed delivery could be assured and output increased. Whilst IT systems had been live from 1 September 2011, developments had been undertaken to improve the interfaces across both Enterprise and KCC systems. Specifically it was found that a minority of job statuses had not been consistent across systems, which had now been resolved.

(5) The operation of the new contract had to be viewed as a success to date. As expected there were areas that still required attention (i.e. drainage), but these were limited and were constantly improving. The transfer of productivity and quality risk to Enterprise had proved to be the right decision and KCC were achieving greater value from the contract.

(6) RESOLVED that the following be noted:-

- (a) the implementation of the Term Maintenance Contract had resulted in some promising early results;
- (b) further operational improvements and staff development were required to extract full efficient working; and
- (c) IT System enhancements across both organisations were identified and were planned to be delivered.

## **9. Bus Services to Pembury Hospital**

*(Item C4)*

(1) KCC was currently administering significant enhancements to bus services to the new Tunbridge Wells hospital in Pembury on behalf of the Maidstone and Tunbridge Wells NHS Trust. It was a short term provision awaiting the resolution of planning issues (Tunbridge Wells Borough Council) related to the site. Members were asked to consider KCCs long term involvement in the provision of bus services for the hospital. The report presented a number of options for Members to consider.

(2) The new Tunbridge Wells hospital opened on 21 September 2011 in Pembury. The hospital, which was delivered by the Maidstone and Tunbridge Wells NHS Trust (the NHS Trust), had replaced the Kent and Sussex hospital in Tunbridge Wells town centre and services had been transferred from Maidstone Hospital to the new site. The new Tunbridge Wells hospital was in an out of town location and had limited access by modes other than the private car. When planning consent for the hospital was given Tunbridge Wells Borough Council (TWBC) and KCC ensured that the NHS Trust were obligated to provide significant enhancements to the local public transport network. However, after consent was granted, and the cost of the bus services became clear, the NHS Trust did not consider the specified improvements to be affordable. They therefore approached TWBC and KCC to investigate the feasibility of altering their obligations with regards to bus services.

(3) When it became apparent that the situation would not be resolved until early in 2012, the NHS approached KCC to seek help in providing an interim solution, to provide a local network of bus services to provide sustainable access to the hospital. Following the completion of a contractual agreement between KCC and the NHS Trust, KCC secured the provision of the high frequency services, acting as agents on behalf of the Trust. All costs were being met by the NHS Trust and the services commenced operation on 13 November 2011 for a fixed six month period. The services would operate until 13th May 2012. Before this date arrangements needed to be made to provide sufficient sustainable access to the new Tunbridge Wells hospital in the long term. This was legally an issue for the NHS Trust and TWBC to resolve, although KCC as the Local Transport Authority were a key stakeholder.

(4) There were various models which could be employed to resolve the long term service provision, with varying levels of involvement for KCC:-

- KCC became party to a Section 106 agreement, whereby NHS Trust provided fixed amount of funding and KCC provided services. NB. Service level partly reliant on revenue generation.



- KCC became party to a Section 106 agreement, whereby KCC provided services but the NHS Trust underwrites risk of services not meeting required levels of revenue generation. NB. Service level guaranteed
- KCC act as agents/contractors in providing services on behalf of the NHS.
- KCC had no direct involvement

It was noted that the ultimate resolution would require agreement from both the NHS Trust and TWBC and that any position that KCC decided to adopt might not be acceptable to other parties, and vice versa.

(5) Mrs Hohler proposed that option 2 should be employed with an additional clause that, before any agreement was entered into, KCC and other consultees confirm that there was a sustainable, viable and satisfactory provision included for residents of Hadlow, West Malling and Borough Green being provided for.

(6) Mr Robertson proposed that the option should include “subject to further consideration to fulfilling, as far as possible, that those planning conditions related to the rural areas”.

(7) Mr Manning proposed that the option should include “KCC enter into negotiations”.

(8) RESOLVED that:-

- (a) Members note the background to the provision of bus services to the new Tunbridge Wells hospital; and
- (b) KCC immediately enter into negotiations to become party to the Section 106 agreement, whereby the NHS Trust funds the bus services and underwrites those not meeting the required levels of revenue. These services will seek to provide access to those communities as covered by Condition 29 of the planning consent.

## **10. Growth Without Gridlock - Update**

*(Item C5)*

(1) Following the recent Autumn Statement by the Government, which outlined a range of major transport proposals, it was an opportune moment to update Members on progress with the key proposals contained in the County Council’s 20 year transport delivery plan, Growth without Gridlock.

(2) *Additional Thames Crossing*

Officers had been working with partners in the South East Local Enterprise Partnership (SELEP) to press the DfT for increased capacity and improvements to the crossing of the Thames, one notable success being the recent announcement to postpone the increase of charges on the Dartford Crossing. Following the Government’s commitment in the Comprehensive Spending Review to undertake an unbiased assessment of the three crossing options, they had now invited tenders to

carry out the work which was expected to commence in February 2012 with consultation to follow in mid 2013.

(3) *Operation Stack*

In response to the Operation Stack Summit in July, three low cost lorry park proposals had been developed with input from the Highways Agency and Kent Police. The next step was to complete the environmental impact assessment and prepare a planning application.

(4) *A21 Dualling Tonbridge to Pembury*

In October 2011, the County Council submitted a revised proposal that could be delivered locally by KCC for less than £70m, compared to the Highways Agency scheme cost of £120m. The County Council was extremely disappointed that the scheme was not given the go-ahead in the recent Autumn Statement. To help build the case for the scheme, an Economic Impact Assessment was currently being carried out which would be submitted to Ministers in spring 2012.

(5) *Rail improvements for East Kent*

A new peak time high speed service to/from Deal and Sandwich, supported by the County Council, commenced in September with passenger uptake better than expected. The recent successful bid for Regional Growth Funding of £40m included allowance for Business Critical Infrastructure Grants which would support the delivery of infrastructure projects such as high speed rail enhancement on the Ashford to Ramsgate line. The construction of a Thanet Parkway Station was the subject of a first-round Regional Growth Fund bid in January 2011. Unfortunately the bid was unsuccessful, but the business case for the Station nevertheless remained very strong, with a Benefit-Cost Ratio of 5:1, and KCC would continue to work with Thanet District Council, Manston Airport and local businesses to identify suitable delivery opportunities.

(6) *Funding for transport infrastructure*

Throughout the past 12 months, officers had met with Ministers and officials at DfT and DCLG, to call for greater flexibilities and freedoms around funding streams and local delivery. A business case for hypothecation of funding from new revenue streams was being developed with DfT officials, alongside discussions with investment bankers to gauge market appetite for investment in strategic transport infrastructure. The Government had proposed a new system of funding major schemes beyond 2015 through Local Transport Consortia which would provide greater freedoms and decentralisation of decision making to Local Transport Authorities.

(7) During debate the following issues were raised:-

- (a) Mr Collor asked for the number of times Operation Stack had been activated. Mr Sweetland informed Members that over the last 5 calendar years there had been 31 incidences –

- Bad weather 11
- Volume of traffic 4
- Technical problems with the Channel Tunnel 9
- French industrial action 4
- Ferry operators industrial action 3

(b) Mr Pascoe asked if it was possible to prevent lorries entering Kent. Mr Crick said that variable message signing on motorways was deployed to deter drivers from entering Kent when Operation Stack was in force, but ultimately we could not force drivers not to carry on their journey. Mr Crick undertook to supply Members with the relevant information, together with the number of days involved with the 31 incidences.

(c) Mr Cubitt referred to the additional Thames Crossing and asked if an environmental impact assessment was being carried out on the 3 options. Mr Crick agreed that one was going to be undertaken.

(d) Mr Harrison referred to Operation Stack and the lack of facilities at lay-bys which were occupied by lorries. Mr Sweetland referred to the environmental impact assessment, and consequent planning consent. Mr Crick stated that a revised scheme for an Operation Stack lorry park at Aldington had been estimated to be in the region of £25m.

(e) Mr Manning referred to Operation Stack and the discussion which took place 4/5 years ago, relating to the quick movable barrier which cost the Highways Agency £500k per annum to rent whether or not it was actually deployed. Regardless of current negotiations he stated that it was typical of the arrogance of the Highways Agency. No reference was ever made to the costs and time involved.

(8) RESOLVED that the progress outlined in the report, be noted.

## **11. Select Committee - update**

*(Item D1)*

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

(2) Background research had begun on the Select Committee topic review on Domestic Abuse, and the Committee would start its work in early 2012. There would be resources available to start two new Select Committee reviews in May 2012.

(3) 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.

## EXEMPT ITEMS

*(The following is an unrestricted minute of matters which the POSC resolved under Section 100A of the Local Government Act 1972, the press and public should be excluded from the meeting on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A of the Act).*

### **12. Highways & Transportation Consultancy Services**

*(Item 1)*

(1) The report set out a summary of the operation of the Highways and Transportation Consultancy Contract. It highlighted areas for improvement and timescales for deciding on the requirements for any future service provision.

(2) As the existing contract with Jacobs ran until March 2013, KCC H&T was taking the opportunity to consider a variety of issues, which were :-

- What improvements/efficiencies could be delivered through the existing Consultancy Services contract?
- What level and type of service did H&T require in the future?
- Should a new procurement exercise be commenced to replace the existing contract or should a contract extension be considered.

(3) There were three broad options available.

- Tender for a new Consultancy Contract to commence in April 2013. (Likely to cover all requirements of E&E, not just H&T)
- Tender for a new Framework Consultancy which enabled different specialist providers to compete for work on an ongoing basis. This could be done in conjunction with other KCC services
- Negotiate an extension of contract with Jacobs until 2016 (at the latest).

(4) RESOLVED that a small working group be established, by Mr Burr and Mr Manning, to explore the options available and advise the Service Director on their preferred option.