

ECONOMY, TRANSPORT AND ENVIRONMENT SCRUTINY COMMITTEE

MINUTES of a meeting of the Economy, Transport and Environment Scrutiny Committee held at Committee Room, County Hall, Lewes on 20 September 2017.

PRESENT Councillors Richard Stogdon (Chair) Councillors
Claire Dowling (Vice Chair), Godfrey Daniel, Darren Grover
and Barry Taylor

LEAD MEMBERS Councillors Nick Bennett and Bill Bentley

ALSO PRESENT Rupert Clubb, Director of Communities, Economy and
Transport
James Harris, Assistant Director, Economy
Nick Skelton, Assistant Director Communities
Karl Taylor, Assistant Director Operations
Dale Poore, Contracts Manager
Hannah Cawley, Contract Performance and Compliance
Manager

12 MINUTES OF THE MEETING HELD ON 14 JUNE 2017

12.1 The Committee RESOLVED to agree as a correct record the minutes of the meeting held on the 14 June 2017.

13 APOLOGIES FOR ABSENCE

13.1 Apologies for absence were received from Councillor Simon Elford, and Councillor Rupert Simmons.

14 DISCLOSURES OF INTERESTS

14.1 None noted.

15 URGENT ITEMS

15.1 There were none.

16 HIGHWAYS INFRASTRUCTURE SERVICES CONTRACT - YEAR 1 UPDATE REPORT

16.1 The Lead Member for Transport and Environment gave an overview of the first years performance of the Highways Contract. The asset management approach has improved the condition of roads and there have been improvements in safety and response times through the use of new technology. The savings target of £1.4m has been achieved, and it is estimated that

the value of contracts awarded to local companies, thereby supporting the local economy, has been around £17million. Local engagement has been improved through roadshows, tours, and strengthening local relationships (SLR) meetings. The Customer Centre has been restructured and call answering times are above national performance standards. The achievements under the Contract during the first year of operation are highlighted in Appendix 2 of the report. The focus of the next year will be improving customer service, operational delivery and achieving accreditation for the quality management system.

16.2 The Contracts Manager and the Contract Performance and Compliance Manager highlighted further areas of contract performance during the first year of operation. The overall performance achieved and individual targets at end of first year are shown in Appendix 1 of the report. These cover a wide range of service outcomes in line with recommendations of the Highways Reference Group. When looking at the key service outcomes:

- Improving asset condition - the target of reducing the percentage of unclassified roads requiring maintenance to 19% was achieved, whilst the condition of the and non-principle roads has also been maintained at the previous levels of 5% and 6% respectively;
- Ensuring a safe road network - the level of third party claims has been reduced;
- Value for money - service efficiencies have increased the number of minor works schemes it has been possible to carry out;
- Supporting the local economy - around 43% of the contract value went into local economy; and
- Customer service – the number of complaints has reduced by 82% and the number of complements has increased by 63%.

16.3 The Committee discussed various aspects of the performance of the Highways Contract and the key points are summarised below.

Incident and fault report updates

16.4 The Committee noted that although customer service and engagement with residents is working well, there appears to be gap between when an incident is reported and when updates are given on the proposed course of action or resolution. It is important that Councillors are kept informed of when a fault has been fixed, or the reasons why something has not been repaired. Some Committee members have also experienced difficulties when they have requested residents are copied into emails that give an update to an outstanding issue.

16.5 The Contract Performance and Compliance Manager outlined that all customers get an update response with 10 working days, and there should not be a problem in copying customers into emails to Councillors. The team are currently undertaking work to check, and if necessary, improve the quality of the information in the responses given. The Contracts Manager explained that the team are looking to improve this area in year two of the Contract. The Assistant Director, Operations added that Councillors can track cases by using the case number if they are not getting a response on an issue. Also, the three Customer Service Managers should be keeping Councillors informed of the progression outstanding issues.

Potholes that do not meet the repair criteria

16.6 The Committee asked what happens when a reported pothole does not yet meet the intervention standard for a repair to be carried out. The Committee also observed that they, and their Highway Stewards, sometimes find that there is a delay before a repair is carried out.

16.7 The Assistant Director, Operations explained that the Council's intervention policies follow national guidance. If a defect does trigger a repair, there are three timescales for repair depending on the severity of the defect. This may account for the gap between the defect being reported and repaired. The timescales for repairs are:

- Category 1 make safe or repair within 2 hours (a follow up, permanent repair may be carried out within 28 days);
- Category 2 repair within 5 days;
- Category 3 repair with 28 days.

16.8 The Contracts Manager outlined that if a defect is not at the intervention level, a report is passed onto the Asset Management team and the Highway Steward will monitor it through subsequent routine inspections. All roads are inspected on a monthly, three monthly, six monthly or annual inspection regime. The Highway Steward will use their judgement to flag up repairs that may need to be carried out before the next inspection. When Stewards make recommendations for work, the Asset Management team will try and include them in a planned maintenance programme which may take longer than 28 days to carry out.

Highways enforcement

16.9 The Committee commented that sometimes there appears to be a problem when a Highway Steward has raised an enforcement issue, but follow up action is delayed or reliant on others to bring about a resolution to the issue. One of the Committee Members cited a particular example where drainage water was being discharged from a property on to the footway.

16.10 The Contracts Manager clarified that responsibility for following up enforcement requests remains with the Communities, Economy and Transport (CET) department, and he will follow up the particular example given. It was acknowledged that properties not maintaining their own drainage systems are an increasing issue, with more properties discharging water onto the pavement and the highway.

16.11 The Contracts Manager outlined that the Contractor has increased the staff resources available for enforcement. When dealing with enforcement, the process used is to try and contact the person responsible (often the land owner) to resolve the issue and then visit if there is no response. It can be difficult at times to identify the land owner, but action will always be taken to rectify a problem where there is a safety issue. The department keeps a record of all breaches where enforcement action may be necessary. In 85% of cases the person responsible responds and the issue is resolved. Formal legal action is used as a last resort where necessary.

16.12 The Committee commented that it may wish to look at highways enforcement in more detail at some point in time in the future.

Winter maintenance

16.13 The Committee asked if there were any costs savings arising out of the mild winter. The Assistant Director Operations clarified that there were no savings as the Contractor still has to have all the winter equipment and supplies ready, and did grit roads on 40 occasions when there was a risk of icy conditions. The Contractor also bears the cost if there is a severe winter, so the contract pricing arrangements for winter maintenance average out over the term of the contract.

Highway drainage

16.14 The Committee noted that the Contractor was up to date with gully maintenance and asked what difference the extra capital funding was having. The Contract Manager outlined that work has started to investigate flooding hot spots, survey the drainage network and digitise existing records. The Contractor has started to fix drainage problems, including where blocked drains have been identified by routine gully maintenance. The Contractor is also able to capture information on various aspects of the drainage network whilst carrying out this work.

Focus for Year 2 of the Contract

16.15 The Contracts Manager outlined the areas of focus for improvement during the second year of the Contract. These were customer service, operational delivery (including highways defect rectification works, minor works and capital schemes) and seeking accreditation for the Quality Management System. The Committee confirmed that they are happy with year two objectives for improvement as set out in the report.

Summary Comments

16.16 The Committee commented that the overall contract performance is good in the first year of operation. The Committee requested that details of the number of compliments as well as complaints are included in future reports, and noted it would be helpful to have information on the previous number of third party claims for comparison. The Contract Performance and Compliance Manager will provide this information after the meeting.

16.17 The Committee RESOLVED to note performance of first year of the Highways Infrastructure Services Contract.

17 GRASS CUTTING SERVICE AND MANAGEMENT OF ROADSIDE VEGETATION

17.1 The Contracts Manager introduced the report, which provides an opportunity for the Committee to comment on proposals for savings in the grass cutting budget. At present, the budget funds two cuts per year in rural areas and six cuts per year urban areas, plus some other reactive work (e.g. the management of wildflower areas). There is no statutory requirement to carry out highways grass cutting or verge maintenance. The Customer Centre receives 2,000 enquiries per year regarding highways grass cuttings, and it is one of the top ten issues that are reported. The department is discussing possible changes to the grass cutting service with Parish, District and Borough Councils. It is planned to present a report to Cabinet in December to outline the proposals to achieve the savings, and to seek approval to start a public consultation on the proposals.

17.2 The Contracts Manager outlined that if the Council does decide to reduce grass cutting it is likely to lead to an increase in the number of complaints and customer dissatisfaction. In addition, there may be an increase in costs if the grass cutting service becomes a more reactive service (e.g. in dealing with higher volume of complaints). A reduction in grass cutting may also have an impact on drainage and access in some rural areas. East Sussex County Council (ESCC) does have a statutory duty to have safe and useable Highway network. Consequently, grass cutting for safety reasons around visibility splays will need to continue.

17.3 The Committee observed that in the previous report in 2014 (appendix 2) it was recommended not to make savings in this service area. Given that background, the Committee asked what had changed and whether other service areas should be considered for savings.

17.4 The Lead Member for Transport and Environment explained that this was one of several areas of search that the Cabinet had proposed. He acknowledged that this is a more complicated matter than at first thought. Consequently there is a need to consider the implications carefully and to involve other authorities in this work. The Director of CET added that at beginning of savings process there had been a wider area of search. Now there are fewer opportunities for savings in what is a difficult financial environment, with further savings of £36m required across the Council in 2019/20 to 2020/21.

17.5 The Committee asked a number of questions about breakdown of expenditure in Appendix 1. Officers clarified that:

- Appendix 1, table 1.1 the £91,532 contribution to Eastbourne Borough Council for urban grass cutting pays for six cuts and Eastbourne Borough Council fund additional cuts so the highways grass is cut fourteen times a year.
- Appendix 1, table 1.2 the contributions to Eastbourne and Hastings Borough Councils for weed control and tree maintenance differ because there are more Highway trees in Eastbourne, and Eastbourne covers a larger area. This budget includes spraying weeds on the pavement and at the edge of the carriageway, but does not include Dutch Elm disease works which are paid for from a separate budget.

17.6 The Committee observed that it would need to know the outcome of discussions with the other local authorities, and perhaps the best approach would be for the Committee to establish a Task and Finish Scrutiny Board to consider the savings proposals. The Committee also commented that the contributions for weed control and tree maintenance may also need to be examined as part of the savings. The Director of CET suggested that the Task and Finish Board could also comment on the proposed public consultation.

17.7 The Committee stated that the Task and Finish Board would need to know what the potential additional costs would be, that are referred to in the report. The Contracts Manager responded that some of the potential additional costs may be difficult to quantify.

17.8 Committee RESOLVED to establish a Scrutiny Committee Task and Finish Board to examine the implications and opportunities for grass cutting savings, comprised of Councillors Claire Dowling, Godfrey Daniel and Barry Taylor.

18 RECONCILING POLICY, PERFORMANCE AND RESOURCES (RPPR) FOR 2018/19

18.1 The Director of CET introduced report, which is the beginning of the Scrutiny Committee's involvement in the of RPPR process for 2018/19. Scrutiny has an important role in shaping the budget savings proposals and examining their impact. The Director of CET highlighted that finding further savings is becoming increasingly difficult.

18.2 The Committee discussed the items in the savings plan for 2018/19 and noted that the Committee had established a Review Board to examine the savings proposals for the Waste Contract, and had agreed to consider the proposals for savings to grass cutting via a Task and Finish Scrutiny Board. The Committee is aware of the savings proposals for Libraries and noted their contribution to the overall departmental savings plan.

18.3 The Committee considered the services within the departmental revenue budget to see whether there were opportunities for savings in addition to those planned for waste and grass cutting.

Archives & Records

18.4 The budget under this heading pays for the ESCC contribution to the running costs of The Keep and the modern records storage facility at Ropemaker Park. The remainder of the running costs of The Keep are paid for by contributions from Brighton and Hove City Council (BHCC) and the University of Sussex.

18.5 The Committee asked if the modern records storage facility could be offered to other Councils and organisations. The Assistant Director, Communities explained that this service has implemented a new system to improve document storage and retrieval. It is looking to offer this service to other organisations, but cannot guarantee any additional income at this stage.

Registration Service

18.6 The Registration Service is a net contributor to the departmental budget, but there are constraints on what the income generated can be spent on. It is anticipated that the opening of the newly refurbished Southover Grange will increase income, but this is variable depending on the number of wedding and other services. The Registration Service is currently working with Adult Social Care to refurbish Hookstead in Crowborough to provide improved facilities in this part of the county.

Road Safety

18.7 The Committee asked if expenditure on road safety could be reduced. The Director of CET responded that he did not believe this team could be reduced further. It currently deals with over 5,000 items of correspondence each year. The Committee is aware of the project work that is underway to examine better ways of reducing road accidents. The Committee commented that there was a perception that road accidents were due to road conditions, when most are caused by driver behaviour. The Director of CET suggested that the time to tackle this perception is when project has been completed.

Trading Standards

18.8 The Assistant Director Communities outlined that the department has reduced this service as far as possible and would not want to reduce it further. There may be small opportunities for additional income generation, but this service has already undertaken structural reviews and reduced staff.

Travellers Sites and Emergency Planning

18.9 The Director of CET explained that this was a small and effective team managing unauthorised encampments and five designated sites (four residential and the transit site at Bridies' Tan). The Service receives income in the form of housing benefit and fees and charges from the sites, as well as contributions from District and Borough Councils. This team provides good value for money and it was not proposed to make savings from this budget.

18.10 The Emergency Planning Team are a small team who provide a business continuity and emergency planning service to ESCC and to other local authorities. The Committee noted that it had not examined these service areas for some time and requested a report on the work of the Traveller and Emergency Planning teams at the November Scrutiny Committee meeting. The Assistant Director, Communities added that this can include further information on the net budget of these services.

Customer Care

18.11 This is the Corporate Complaints team who provide a service to deal with complaints for CET, Orbis and the Chief Executive's department (but not Children's Services and Adult Social Care, who have their own separate complaints teams). This team also deals with Freedom of Information (FOI) requests, which have increased in number, and requests for environmental information. The Assistant Director, Communities explained that the department does not receive any income from other departments. This is in line with the corporate agreement not to make internal recharges. There is no scope for further savings from this service.

Passenger Services

18.12 The Director of CET outlined that out of total net budget of around £9.1million, concessionary bus fares account for £7.8 million of the expenditure. The provision of concessionary fares is statutory and ESCC gets £5million towards concessionary fares as part of the formula grant from the Department for Transport (DfT). There is currently a funding gap between the amount ESCC receives from central government via the DfT and the cost of concessionary bus fares. The remainder of the Passenger Service budget of around £1.2million is used to pay for supported bus services, some of which are also used for Home to School transport. If ESCC ceased to fund all the supported bus services, it would have to spend an additional £800,000 per annum on school buses, so the net saving would only be £400,000 per annum. Such a removal may also impact commercial services where subsidised bus routes feed into the commercial bus network.

Parking

18.13 The Director of CET explained that £600,000 of the parking surplus is spent on concessionary bus fares in order to bridge the current funding gap. The Committee discussed the scope to increase, or harmonise, parking charges across the areas of the county covered by civil parking enforcement arrangements. The Assistant Director, Operations explained that the parking schemes cannot be set up to make a profit, and any surplus after covering operating costs has to go back into local transport schemes. The Director of CET added that any decision on charges has to be fair, reasonable and take into account the number of parking spaces within controlled parking zones.

Waste Disposal

18.14 The Committee noted that it has established a Review Board to examine the potential for savings in this service area.

Rights of Way and Countryside Management

18.15 The Committee has been involved in the development of the Countryside Access Strategy which covers these teams. The majority of expenditure is on staff costs and there are no opportunities for further savings.

Transport Hub

18.16 The Assistant Director, Operations explained that there are no further opportunities for savings from this team after previous savings.

Highways Maintenance

18.17 Savings of £1.4million have previously been made from the Highways maintenance budget as part of the contract re-procurement. The current Highways budget, excluding depreciation, is split into four main areas:

- Contract Management – £2,041,000 which is made up of staffing costs plus £580,000 for survey and other costs;
- Contractors costs - £9,783,000 which is comprised of the lump sum and regular contract payments, including the grass cutting budgets;
- Maintenance of bridges and structures - £1,793,000 this includes the Newhaven swing bridge; and
- Street lighting and traffic signals - £1,438,000.

Planning and Environment

18.18 The Environment Team is small and has low costs. It is seeking to generate further income from professional advice provided to other local authorities. The net cost of the Planning Team is low after planning development control and flood risk management fees are taken into account. The Committee noted that much of planning is a statutory function and asked if there is scope to work with the District and Borough Councils to reduce costs.

18.19 The Assistant Director, Economy outlined that there were seven planning departments in the county and there is a skills shortage in this area. There might be some scope for discussions with District and Borough Councils to share staff and resources and this is perhaps something the department could explore.

18.20 High Weald Unit. ESCC is the accountable authority for this organisation, with contributions being made towards the running costs coming from a number of local authorities and other organisations. There is no scope for savings from this budget.

Capital Programme

18.21 The Committee asked if there were any funding issues around the capital programme. The Director of CET responded that the fundamental challenge is around revenue expenditure, not capital. However, the Committee should note that quite a lot of staff costs are charged to capital budgets where appropriate.

RPPR Board

18.22 The Committee discussed the formation of an RPPR Board which will meet to discuss the emerging budget and portfolio plans and provide comments to Cabinet. It was agreed that the membership of the RPPR Board would be comprised of the whole Committee. The proposed date of the RPPR Board meeting is Friday 8 December 2017 at 10.00am.

18.23 The Committee RESOLVED to:

- 1) Establish an RPPR Board comprised of whole Committee; and
- 2) Receive a report on the Traveller and Emergency Planning teams at the Scrutiny Committee meeting to be held on the 22 November 2017.

19 SCRUTINY COMMITTEE FUTURE WORK PROGRAMME

19.1 The Committee considered the future work programme. The Committee agreed to amend the work programme as follows:

- Grass cutting savings - to form a Task and Finish Scrutiny Board to look at this matter in more detail (minute 17.8 above).
- RPPR – to form an RPPR Board comprised of the whole Committee to consider the budget setting process for 2018/19 and make comments to Cabinet on the budget (minute 18.23 above).
- Receive a report on the Traveller and Emergency Planning teams at the Scrutiny Committee meeting to be held on the 22 November 2017 (minutes 18.23 above).

20 FORWARD PLAN

20.1 The Committee reviewed the Council's Forward Plan and noted the following reports that are due for consideration:

- 16 October 2017, Lead Member for Transport and Environment - Highway Policy Review.
- 29 November 2017, Lead Member for Communities - Road Safety policies update.

21 ANY OTHER ITEMS PREVIOUSLY NOTIFIED UNDER AGENDA ITEM 4

21.1 There were none.

The meeting ended at 1.05 pm.

Councillor Richard Stogdon
Chair