

AT A MEETING of the ECONOMY, TRANSPORT AND ENVIRONMENT
SELECT COMMITTEE of the COUNTY COUNCIL held at The Castle,
Winchester on Monday, 28 April 2014.

PRESENT

Chairman:

p Councillor Sharyn Wheale

Vice-Chairman:

p Councillor Geoff Hockley

Councillors:

p Graham Burgess

p Charles Choudhary

p Shaun Cully

a Philip Fawkes

p Brian Gurden

p Edward Heron

p Roger Huxstep

p Rupert Kyrle

p Peter Latham

a Steve Rippon-Swaine

p David Simpson

p Mark Staplehurst

39. **APOLOGIES FOR ABSENCE**

Apologies for absence were received from Cllr Philip Fawkes and on behalf of the Executive Member for Economy Transport & Environment Cllr Sean Woodward.

40. **DECLARATION OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

41. **MINUTES**

The Minutes of the meeting held on 21 January 2014 were confirmed as a correct record and signed by the Chairman.

Matters Arising

Under minute 33 - 20mph speed limits policy:

It was noted that the recommendations made by the Select Committee at the last meeting had been accepted by the Executive Member for Economy Transport & Environment. A report proposing the addition of three rural locations to the Residential 20mph pilot programme was due to be considered by the Executive Member at his 6 May decision day. It was anticipated these additions could be accommodated within the budget already allocated for the pilot programme.

42. **DEPUTATIONS**

No deputations were received at this meeting.

43. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman reported that in March she had received a number of letters from members of the public regarding a decision taken by the Executive Member for Economy Transport & Environment on 17 March about proposals to improve access to Fareham and Gosport. Her response to this correspondence on behalf of the committee had been circulated to committee Members. The decision taken on 17 March approved for a further round of public consultation to be undertaken on a number of transport schemes including the preferred route for a Stubbington Bypass. The Chairman confirmed her intention not to add this topic to the work programme for this committee, as it was a local issue, not a Hampshire wide issue. She was satisfied that the correct democratic procedures had been followed in relation to the meeting which took place on 17 March, and had copied her letter to the Executive Member to request that the consultation be well publicised locally, and was confident that the consultation provides the opportunity for local residents to voice their views about the proposed scheme.

44. **WORK PROGRAMME**

The Chairman presented the Committee's forthcoming work programme (Item 6 in the Minute Book). Members were encouraged to put forward any suggestions for the work programme by email to the Scrutiny Officer.

RESOLVED:

That the Committee's work programme be approved subject to any amendments made at this meeting.

Work Programme
be updated

45. **ECONOMIC DEVELOPMENT – LOCAL ENTERPRISE PARTNERSHIPS AND LOCAL GROWTH DEALS**

The Committee received a report and presentation from the Director of Economy Transport & Environment on Local Enterprise Partnerships (LEPs) and Local Growth Deals (Take in report and presentation, Item 7 in Minute Book).

Members heard that:

- LEPs received funding from the EU for non infrastructure economic development support, and the local growth funding was focused on infrastructure
- Since the submissions both LEPs had revised down their request for funds for 2015/16, reflecting the signal that the national funding had been oversubscribed
- Announcements were due in July regarding allocation of funds against the submissions made

Following questions Members heard:

- That the LEPs would be expected to deliver the projects they were seeking funding for within that financial year, therefore it was anticipated some elements could be taken forwards quickly in 2015/16
- The County Council had worked with district councils regarding what would be required on the ground for particular projects

Members commented:

- That it would be helpful to be provided with larger scale versions of the maps contained in the presentations
- That it would be beneficial to establish a working group on this topic, as the picture was changeable, and this would enable a group of Members to explore the issues in further detail

Clear maps be circulated electronically

RECOMMENDED:

That the Executive Member for Economy Transport & Environment continues the policy of active engagement with the Local Enterprise Partnerships covering Hampshire, including to support strong governance arrangements for the Local Growth Fund, collaborative working between the two LEPs and the development of the opportunity to be a delivery partner.

Recommendation passed to Executive Member

RESOLVED:

That a Working Group of Members of the Select Committee be established to lead on this area of work on behalf of the Committee, to report back to the Committee as required with any proposed

Arrangements be made for a working group

recommendations.

46. **FUTURE OF HIGHWAY SERVICE DELIVERY ARRANGEMENTS**

The Committee received a report from the Director of Economy, Transport and Environment regarding intermediate arrangements for Highway Services to deliver efficiency savings, and the exploration of longer term options for service delivery (Take in report, Item 8 in the Minute Book). The Committee had the opportunity to pre-scrutinise the proposals in the report, prior to a decision by the Executive Member for Economy Transport & Environment due to take place on 6 May.

Members heard:

- That the existing contract for highway maintenance services ran from 2008 for seven years, with the possibility of three one year extensions
 - A one year extension had been granted in 2011/12 in return for delivery of efficiency savings
 - The contract will expire in April 2016 with no further extension, and the process to re-procure a similar contract would take approximately two years, therefore a decision needed to be taken now on whether to offer an extension
 - It was being proposed that an extension of up to two years be granted, in order to realise the benefits from the improvements made over the past eighteen months, and to allow time to explore alternative longer term options rather than simply re-procuring on the same basis
 - An extension would also allow the opportunity to trial new ways of working, which the County Council could learn from when designing the future model
 - Based on price comparison undertaken, it was considered the prices paid under the current contract were competitive

Following questions Members heard:

- That following the flooding in the winter, repair of road defects had been re prioritised to focus initially on safety related defects. The number of gangs repairing potholes had been doubled, and with additional funds from central government it was hoped the backlog of significant defects could be dealt with by the autumn

Members commented:

- That in future it would be appreciated to have more advanced notice of the timescales for taking contracting decisions
- That it would be preferable to offer a one year extension at this point, and review performance before a

further year was considered or offered

- That it would be of interest to explore the options for the future for highway maintenance through a working group or task and finish group. Cllr Glen, Chairman of the Policy & Resources Select Committee, was in attendance, and indicated willingness to consider a joint piece of work between the Policy & Resources and Economy Transport & Environment Select Committees

RECOMMENDED:

That the recommendations in the report under section 9 are supported to the Executive Member for Economy Transport & Environment.

Recommendations passed to Executive Member

However, in addition, the Select Committee recommends:

That approval be given to grant Amey LG an extension of one year with immediate effect, and the subsequent year in 12 months time subject to continued development of efficiencies, satisfaction with performance and need to defer the procurement.

RESOLVED:

That a task & finish group of the Economy Transport & Environment Select Committee be established, to provide input to the new ways of working to be explored during the extension of the contract.

Arrangements be made for a task and finish group

That proposals be developed to enable Select Committee Members to be involved in consideration of the longer term options, to be brought back to a future meeting of the committee for agreement. (This could include a joint Working Group or Task & Finish Group with the Policy & Resources Select Committee)

Proposals be developed

47. **FLOOD RISK MANAGEMENT**

The Chairman presented the report of findings and recommendations arising from the scrutiny of flood risk management undertaken by the Committee in late 2013 (take in report, Item 9 in the Minute Book).

RESOLVED:

That the flood risk management scrutiny report and recommendations are approved.

Flood Risk recommendations be submitted to Executive Member and others

48. **STATEMENT OF COMMUNITY INVOLVEMENT**

The Director of Economy Transport & Environment presented a report on the revised Statement of Community Involvement (take in report, Item 10 in Minute Book). The Committee had the opportunity to pre-scrutinise the proposals in the report, prior to a decision by the Executive Member for Economy Transport & Environment due to take place on 6 May.

Members heard:

- That the Statement of Community Involvement was being revised in order to take account of changes in legislation, and learning from preparation of the Hampshire Minerals and Waste Plan
- Consultation had been undertaken in January and February 2014, with over 10,000 interested parties written to
- The policy now included a commitment to publish responses to consultations online, and to inform those responding to an issue at the policy stage of relevant consultations at the development stage

Members commented:

- That the Statement demonstrated the County Councils commitment to consult over and above the minimum requirements

RECOMMENDED:

That the recommendations in the report under section 5 are supported to the Executive Member for Economy Transport & Environment.

Recommendation passed to Executive Member

49. **THE FUTURE STRATEGY FOR WASTE AND RESOURCE MANAGEMENT IN HAMPSHIRE (EXCLUDING EXEMPT APPENDIX)**

The Director of Economy Transport & Environment presented a report on the future strategy for waste and resource management in Hampshire (take in report, Item 11 in Minute Book). The Committee had the opportunity to pre-scrutinise the proposals in the report, prior to a decision by the Executive Member for Economy Transport & Environment due to take place on 6 May.

Members heard:

- That the strategy aimed to reduce the volume of waste arising, including increasing recycling and reuse, and reducing the unit cost of waste handled
- The current contract for managing the twenty four Household Waste Recycling Centres (HWRCs) in

Hampshire (and one each in Southampton and Portsmouth) runs until January 2015 and work had been initiated to procure a new contract

- Consultation would be undertaken in the summer of 2014 regarding potential changes to HWRCs, for decisions to be taken in the autumn to feed in to the new contract

- Approval was being requested for the opportunity to extend the existing HWRC contract by a few months if necessary to enable the new contract process to fully incorporate the outcomes of the consultation

- That the majority of the costs of the waste service were tied up in the contract with Veolia for managing the disposal of waste

- The Department was seeking to meet the required efficiency savings for waste services through a combination of measures involving HWRCs and negotiation on extending the Waste Disposal Contract

Following questions Members heard:

- That the current Waste Disposal Contract was unusual because it included the set up costs of the infrastructure including the Energy Recovery Facilities. At the end of the existing contract the facilities would then belong to the County Council (and Southampton and Portsmouth City Councils), and therefore any future contract would be different as it would then be a contract to manage and maintain the existing facilities

- That the proposal was to enter into negotiations with the contractor on a potential contract extension, but a decision would not be taken on whether to proceed with offering a contract extension unless suitable terms could be agreed to allow proper consideration of the benefits at that time

Members commented:

- That they would be interested in having the opportunity to pre-scrutinise planned changes to HWRCs

- With regard to the recommendation at 9.4, some Members of the Committee had concerns regarding the prospect of committing the Council to a further extension on an already long contract for the sake of short term savings. Members suggested that careful consideration could only be given to the value for money and financial desirability of an extension when some firm figures were available, which would need to emerge through detailed negotiation. Members also felt that consideration should be given corporately to the potential for meeting Economy Transport and Environment budget reduction requirements to avoid having to accept a sub optimal contract extension offer. This would enable the full benefits of a contract extension to be realised without

the pressure to secure savings immediately at the expense of a better long term deal.

RECOMMENDED:

That the recommendations in the report under section 9 are supported to the Executive Member for Economy Transport & Environment.

Recommendation passed to Executive Member

RESOLVED:

That the Select Committee have the opportunity to comment prior to future decisions on implementing the strategy such as changes to the provision of HWRCs, or details of the proposed contract extension savings profile.

Add to work programme

50. **EXCLUSION OF THE PRESS AND PUBLIC**

It was resolved that the public be excluded from the meeting during the following item of business, as it was likely, in view of the nature of the business to be transacted or the nature of the proceedings, that if members of the public were present during that item there would be disclosure to them of exempt information within Paragraph 3 of Part 1 Schedule 12A to the Local Government Act 1972, and further that in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information, for the reasons set out in the report.

51. **THE FUTURE STRATEGY FOR WASTE AND RESOURCE MANAGEMENT IN HAMPSHIRE - EXEMPT APPENDIX**

The Director of Economy Transport & Environment presented the exempt appendix to the item on the future strategy for waste and resource management in Hampshire.

Chairman, 8 July 2014