

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Economy, Transport and Environment
Date:	3 March 2015
Title:	Capital Schemes Preparation, Design and Implementation Agency Agreement
Reference:	6523
Report From:	Director of Economy, Transport and Environment

Contact name: Paula Edwards

Tel: 01962 826988

Email: paula.edwards@hants.gov.uk

1. Executive Summary

- 1.1. The purpose of this paper is to agree the review and updates to the “Capital Schemes Preparation, Design and Implementation Agency Agreement” and approve its circulation to the appropriate Borough and District Councils for signature.
- 1.2. The majority of schemes being implemented by the District and Borough Councils are delivered under the Capital Schemes Preparation, Design and Implementation Agency Agreement. The local authorities that are currently signed up to the agreement are;
 - Eastleigh
 - Test Valley
 - Fareham
 - Rushmoor
 - Winchester
 - New Forest, and
 - Havant
- 1.3. Through discussions that have been held with the Districts and Boroughs it is likely that with the circulation of the new agreements, Fareham Borough Council will choose not to renew its agreement due to the lack of engineering staff, while Basingstoke and Deane Borough Council, which currently relies solely on an annually approved Section 278 Agreement, is

keen to enter into an Agency Agreement with Hampshire County Council. The remaining councils, Hart District, East Hampshire District and Gosport Borough Councils, also have no engineering staff. Not signing up to the agreements at this time, however, does not preclude them from entering into the agreements at a later date.

- 1.4. The original Capital Schemes Preparation, Design and Implementation Agency Agreements were originally drafted and signed in 2003/04. Due to changes and updates in legislation and requirements, these agreements now require updating.
- 1.5. Schemes delivered under the Agency Agreement are tendered through the South East 7 Procurement framework and the District and Borough teams delivering Hampshire County Council schemes under the Agency Agreements are not required to submit these schemes for design checking by the County Council's Engineering Consultancy. However the same local authorities are being asked to submit all schemes being delivered under the Section 278 Agreements for design checking and this leads to unnecessary delays in scheme delivery. As the County Council's delivery partners, these councils are considered competent designers so there is confusion over the current inconsistent approach to design checks and inspections. The Agency Agreement is considered to offer effective controls and generally works well, subject to overseeing and management by the Strategic Transport Team.
- 1.6. Pressure on existing Hampshire County Council resources has increased, with projects being added to the Capital Programme as a result of the recent successful funding bids under the various Local Sustainable Transport Fund, Local Enterprise Partnership, and Department for Transport grant funded programmes. While the County Council's Engineering Consultancy is able to react to this increase in workload by taking on additional temporary staff, its capacity is constrained by available office space and management resource. The County Council's Strategic Partner, Atkins, has the potential to meet any shortfall in resources. However, an opportunity exists to continue to utilise the Borough and Districts Councils to deliver minor works schemes under the South East 7 Sub-Regional Highways Framework, which in turn frees up the required capacity in Engineering Consultancy and Atkins to ensure the timely delivery of the larger and major schemes within the capital programme. The Districts and Boroughs are better placed to deliver local schemes with shared Member priority than the Strategic Partner, and their local knowledge is considered extremely valuable in achieving effective delivery of these schemes. Discussions are underway with the Districts and Boroughs into how Hampshire County Council may be able to facilitate their growth in capacity in order to meet the forecast resource requirements.
- 1.7. In 2012 District Statements were adopted. These documents outline transport policy, linking the strategic policies contained in the third Local Transport Plan to local level issues and aspirations. The outline schemes contained in the District Statements have been developed in partnership with the District and Borough Councils, have been consulted upon, and were adopted by the County Council in 2012. The majority of highway

improvements now being delivered by the District and Borough Councils are contained on the infrastructure lists included within the District Statements and therefore accord with the County Council's aims and aspirations.

2. Contextual information

- 2.1. The main proposed changes to the Capital Schemes Preparation, Design and Implementation Agency Agreement are in relation to the delivery of schemes funded by the District and Borough Councils which in the past were delivered using Section 278 Agreements.
- 2.2. The Agency Agreement is considered to offer effective controls and works well, subject to active client management by the Strategic Transport team, and it is therefore proposed that more lower cost schemes be delivered under the Agency Agreement as opposed to using Section 278 Agreements.

3. Main Changes to the Agency Agreement

- 3.1. Currently, District funded schemes up to the value of £10,000 are delivered under the Agency Agreement and it is proposed to increase this limit to £25,000 subject to approval of the scheme in writing from the Director of Economy, Transport and Environment or other delegated officer. In cases where the scheme is listed in the District Statement the limit would increase to £100,000. This would be subject to the Districts delivering these schemes under the South East 7 Sub-Regional highways framework or its successor, as this framework includes many of the County Council's Standard Details.
- 3.2. Amendments have been included in the Agency Agreement to allow Districts to deliver locally funded schemes under this mechanism. Regardless of funding source, under the terms of the Agency Agreement, the District would act as Hampshire County Council's Agent. These amendments also safeguard the County Council's position.
- 3.3. All district funded schemes in excess of £100,000 with no funding from Hampshire County Council, will only be deliverable under a Section 278 Agreement.
- 3.4. A section has been added on Arbitration which sets out the process for dealing with any disputes which may arise as a result of the agreement and was missing from the previous version of the Agency Agreement.
- 3.5. Other changes pertain to the updating of the various legislation and legal acts that are referred to in the agreement.

4. Performance

- 4.1. As part of the signing of the revised Capital Schemes Preparation, Design and Implementation Agency Agreement, it is intended that the relevant Districts and Boroughs will be asked for information demonstrating the

competencies of the engineers it proposes to work on the design of capital schemes. This will be reviewed on an annual basis.

- 4.2. The Districts and Boroughs will also be reminded of their responsibilities under the Construction (Design and Management) Regulations 2007 and the need to provide Health & Safety files and as built drawings will be stressed and their provision tracked.

5. Consultation

- 5.1. The changes to the Capital Schemes Preparation, Design and Implementation Agency Agreement have been developed by the County Council's Strategic Transport and Legal Teams. They have been circulated to the District and Borough Councils concerned and changes suggested by them have been included where appropriate.

6. Finance

- 6.1. There are no direct financial implications for the County Council.

7. Recommendations

- 7.1. That the Executive Member for Economy, Transport and Environment approves the approach to Capital Schemes Agency Agreements and the amendments to existing arrangements as set out in this report.
- 7.2. That authority is delegated to the Director of Economy, Transport and Environment in consultation with the Head of Legal Services to determine the final form of the Agency Agreements and conclude these with the appropriate Borough and District Councils.
- 7.3. That authority is delegated to the Director of Economy, Transport and Environment to approve the delivery of district funded schemes through the Agency Agreement.

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	yes
Corporate Improvement plan link number (if appropriate):	
Maximising well-being:	yes
Corporate Improvement plan link number (if appropriate):	
Enhancing our quality of place:	yes
Corporate Improvement plan link number (if appropriate):	

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

DocumentLocation

None

IMPACT ASSESSMENTS:

1. Equality Duty

1.1. The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2. Equalities Impact Assessment:

The Capital Schemes Preparation, Design and Implementation Agency Agreement is a legal agreement which gives the terms under which the District and Borough Council can deliver schemes on the public highway. It does not give approval to any specific schemes and requires that schemes go through the County Council's necessary approvals processes during development and delivery, and it is at this stage that equality issues will be assessed.

2. Impact on Crime and Disorder:

2.1. None

3. Climate Change:

3.1. How does what is being proposed impact on our carbon footprint / energy consumption? The proposal will have no impact.

3.2. How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts? The proposal has no impacts.