

## KENT COUNTY COUNCIL

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### ENVIRONMENT, HIGHWAYS AND WASTE CABINET COMMITTEE

MINUTES of a meeting of the Environment, Highways and Waste Cabinet Committee held in the Council Chamber, Sessions House, County Hall, Maidstone on Tuesday, 23 April 2013.

PRESENT: Mr D L Brazier (Chairman), Mr J R Bullock, MBE, Mr I S Chittenden, Mr M J Harrison, Mr B Hayton, Mrs J P Law, Mr R F Manning, Mr C P Smith and Mrs E M Tweed

ALSO PRESENT: Mr B J Sweetland

IN ATTENDANCE: Mr M Austerberry (Corporate Director, Environment and Enterprise), 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 A Kamps (Principal Accountant), Mr S Palmer (Head of Highway Operations), Mr T Read (Head of Highway Transport), Mr D Shipton (Acting Head of Financial Strategy), Mr M Tant (Flood Risk Manager), Mrs C Valentine (Highway Manager), Mr R Wilkin (Waste Manager) and Mrs K Mannering (Democratic Services Officer)

#### UNRESTRICTED ITEMS

**17. Minutes of the meeting held on 10 January 2013**  
*(Item A4)*

RESOLVED that the Minutes of the meeting held on 10 January 2013 are correctly recorded and that they be signed by the Chairman.

**18. Local Flood Risk Management Strategy - Decision No.12/01945**  
*(Item B1)*

(1) The Local Flood Risk Management Strategy (The Local Strategy) is a requirement for Kent County Council in its new statutory capacity as Lead Local Flood Authority (LLFA). It sets out a strategy for managing local flood risk (defined as flooding from surface water, groundwater and ordinary watercourses) in the county. The Local Strategy sets objectives for the management of local flood risks and an action plan for KCC and other agencies in Kent to deliver those objectives. The paper provides an overview of the Local Strategy, drawing attention to specific sections of interest to the authority. A copy of the final draft Local Strategy is attached to the report.

(2) The Flood And Water Management Act 2010 made county and unitary authorities Lead Local Flood Authorities, with a role to work alongside the Environment Agency and other risk management authorities to manage the risks of flooding. The new role gives KCC a strategic overview role for local flooding (flooding from surface water, ordinary watercourses and groundwater). As Lead Local Flood Authority, KCC also has some flood risk management powers and duties.

(3) The Local Strategy must be consistent with the Environment Agency's National Strategy. The National Strategy sets out how all flood risks and coastal erosion should be managed in England. The Act sets out the minimum that a local strategy must contain and, in accordance with that, the Kent Local Flood Risk Management Strategy details:

- **The risk management authorities in the relevant area.**
- **The flood and coastal erosion risk management functions that may be exercised by those authorities in relation to the area.**
- **The objectives for managing local flood risk and the measures proposed to achieve those objectives.**
- **How and when the measures are expected to be implemented.**
- **The costs and benefits of those measures, and how they are to be paid for.**
- **The assessment of local flood risk for the purpose of the strategy.**
- **How and when the strategy is to be reviewed.**
- **How the strategy contributes to the achievement of wider environmental objectives.**

The local strategy aims to coordinate the work of KCC with the Environment Agency, local authorities, water companies, internal drainage boards and other partners to better understand flood risk in the county and provide effective solutions to protect the people and economy of Kent from flooding.

(4) The Local Strategy gives an overview of the flood risk in Kent, with signposts to more information, it outlines who else in the county has flood risk management functions and it sets out how KCC will exercise the new duties and powers given by the Act. It also applies a local flood risk policy to areas of the county to enable the LLFA to prioritise action. The policies were determined according to the complexity of local flood risk, and are described in the report.

(5) Where further investigations are required they will be undertaken through Surface Water Management Plans. The policies will be kept under review. Given the size and complexity of the local flood risks in Kent it is proposed that specific local actions and policies are identified and delivered through the aforementioned Surface Water Management Plans, not the Local Strategy.

(6) As a LLFA, an annual area based grant of £750,000 is received from Defra to undertake the new duties set out by the Act. The grant is in place for this financial year, and the next financial year, and will be used to fund KCC's actions identified in the Local Strategy. The current action plan for 2013/14 is achievable within the annual Defra grant.

(7) The Local Strategy has just completed its statutory public consultation. The comments received were generally supportive with a few welcome suggestions for

improvement. It is scheduled for the 24 May Cabinet meeting, and will be in place for three years, to be reviewed in 2016.

(8) The Committee requested that its appreciation of the document and Mr Tant's input, be recorded in the Minutes.

(9) RESOLVED that the submission of the Local Strategy to Cabinet in May 2013 for formal adoption, be supported.

## **19. North Farm Link Road (Longfield Road) Improvement, Tunbridge Wells** *(Item B2)*

(1) North Farm was the main commercial, shopping and strategic employment area within the Borough. Primary access was from the A21 along Longfield Road – a single carriageway link road that was built in the late 1970's. The expansion and popularity of North Farm had put Longfield Road under considerable pressure with considerable congestion and delays during peak periods and at weekends. Some 300 businesses were losing trade and future development opportunities were at risk. A scheme to improve Longfield Road to a dual carriageway standard together with improved junctions had been developed and had the support of the local business community

(2) Following a successful bid to the Department for Transport (DfT) for Local Pinch Point funding, under which the Transport Secretary had awarded £3.5m towards the overall cost of the scheme estimated at £5m, KCC was proceeding rapidly to negotiate with landowners to secure the necessary land. A condition of DfT funding was that the scheme must be completed by 31 March 2015 and hence there was considerable urgency to progress the scheme through the next stages to see if its delivery remained a viable, albeit challenging, proposition.

(3) The report included critical aspects of the scheme. Land owners would be required to dedicate or transfer land required for the scheme and to make no claims against KCC for any disruption that might result from construction of the scheme. Officers considered that binding commitments on land dedication and on the disruption issue must be secured by mid June.

(4) Some land was unregistered or in unknown ownership and while unhelpful it was not an unusual situation with major highway improvements. The procedural solution was to promote a Compulsory Purchase Order (CPO) limited to the areas of land. Assuming there were no objections, the Secretary of State would then be invited to confirm the CPO, thereby securing the land for the scheme.

(5) An environmental screening opinion was under consideration that would determine whether a planning application and an Environmental Impact Assessment would be required for the scheme.

(6) Scheme cost, construction procurement and construction period were key factors in affordability and target end date delivery and the aspects would be considered in detail in the coming months as the detailed design was progressed by Amey – our new engineering and transportation term consultant.

(7) During debate the following issues were raised and responded to by officers:-

- The lack of reference in the report to the master plan and the overall cost of the scheme
- Changes in ownership of sites and same use class
- Gathering developer contributions
- The need for a policy developed by the Cabinet Committee
- Local Pinch Point funding
- A21 – junction with roundabout – extra costs

(8) Mr Bullock recommended that -

(a) the Master Plan for the North Farm Estate jointly sponsored by KCC and TWBC be agreed for consultation purposes and implemented with funding obtained from all available sources including Developer contributions; and

(b) KCC enter into discussions with all Borough and District Councils but especially TWBC, to implement a new policy within their LDF Documents, that allowed Developer contributions to be attracted to infrastructure projects where commercial or retail premises floor space was either enlarged or sub-divided within the same Use Class, and that enlargement or sub-division would lead to an increase in vehicle movements which would have an impact on the surrounding roads and roads within the estate.

(9) RESOLVED that the Cabinet Member for Environment, Highways & Waste be recommended to:-

(a) approve the scheme for the improvement of Longfield Road, shown as an outline design on Drg B2500600/04 Rev0 for land charge disclosures and development control;

(b) give approval to progress the scheme for the improvement of Longfield Road, shown as an outline design on Drg B2500600/04 Rev0, including any ancillary works such as drainage and environmental mitigation, with the intention of submitting a planning application if required;

(c) give approval for Legal Services to take a dedication, transfer or by some other appropriate legal mechanism, to secure the land required to deliver the Longfield Road scheme, shown in outline on Drg B2500600/04 Rev0, including but not limited to, any ancillary works such as drainage and environmental mitigation;

(d) give authority for Legal Services to promote a Compulsory Purchase Order in respect of unregistered land or land in unknown ownership, and any other Orders deemed necessary, required to deliver the Longfield Road scheme, shown in outline on Drg B2500600/04 Rev0, including but not limited to, any ancillary works such as drainage and environmental mitigation;

(e) give authority for Legal Services to enter into a funding Agreement with Tunbridge Wells Borough Council;

(f) give authority for Legal Services or S151 Officer, as required, to formally accept the DfT Pinch Point funding offer when received and subject to being satisfied with the terms and conditions; and

(g) include the additional recommendations set out in paragraph (8) above.

**20. Environment, Highways & Waste Forthcoming Executive Decisions - current entry**  
(Item B3)

RESOLVED that the current entry in the Forthcoming Executive Decisions for Environment, Highways and Waste be noted.

**21. Enterprise & Environment Performance Dashboard**  
(Item C1)

(1) The Enterprise & Environment performance dashboard, set out in the Appendix to the report, included latest available results up to the end of February 2013 and, where available, an estimate for the end of March 2013 for the Key Performance Indicators (KPIs) and Activity Indicators included in the year's divisional business plans for the Enterprise & Environment Directorate.

(2) Mr Fitzgerald stated that overall performance was good, with all indicators showing as Green, on or ahead of target, for year to date, with only one Amber for the current month for Pothole repairs completed in 28 days, which was due to higher volumes.

(3) RESOLVED that the report be noted.

**22. Enterprise & Environment Directorate (Environment, Highways & Waste Portfolio) Financial Monitoring 2012/13**  
(Item C2)

(1) Members were asked note the third quarter's full budget monitoring report for 2012/13 reported to Cabinet on 18 March 2013. There were no exceptional revenue changes since the writing of the quarter 3 report, and no capital movements.

(2) RESOLVED that the revenue and capital forecast variances from budget for 2012/13 for the Enterprise & Environment Directorate (Environment, Highways & Waste Portfolio) based on the third quarter's full monitoring to Cabinet, be noted.

**23. Cabinet Member's and Corporate Director's Update (Oral report)**  
(Item D1)

(1) Mr Sweetland and Mr Austerberry gave verbal reports on the following issues:-

*Planning & Environment* – National Policy; Local Plans in Kent; Community Infrastructure Levy; Strategic Cases; and Making Kent homes affordably warm

*Highways & Transportation* – Chalara (Ash Dieback); Kent Lane Rental Scheme (KLRS) Update; Pothole Find & Fix Progress; ENCTS Renewals; Lorry Watch; MHF

Progress; SQPS/Hybrid Launch; North Farm Progress; Condition Services Contract; Coring and Materials Testing Contract; and Joint Highway Depot and Household Waste Facility – Sandwich

*Waste Management* – Joint Waste Projects in Kent; East Kent Joint Waste Project; Mid Kent Joint Waste Project; and West Kent

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

## **24. Future Highways Programme**

*(Item D2)*

*(Alex Gilbert and Will Warner, AMEY, were in attendance for this item)*

(1) Members were updated on the major change programme carried out within the Highways and Transportation Division since 2010 entitled Future Highways. The programme was developed in response to a number of major challenges facing the Service, notably the need to transform business culture and deal with the impact of falls in government funding.

(2) The report described the key challenges facing the Service in 2010 and what had been done to tackle them head-on to create a modern, forward thinking Service that put customer care at its heart. The Future Highways Programme was now substantially completed, and its successes had enabled Highways and Transportation Service to substantially fulfil the Vision it published in 2010. The Vision was designed to focus on creating a top performing highway authority to become an intelligent Client through the re-procurement of key contracts and the delivery of a number of related internalisation projects, leading to the transfer of some functions back to KCC from Consultancy. . A major staff re-structuring was commenced together with a re-procurement of the Works Contract which ultimately led to Ringway being replaced with Enterprise in September 2011.

(3) The key challenge facing H&T was to ensure that despite a reduction of budget, community facing elements of the business and work programmes showed improvement and embraced the requirement to manage resource in a completely new way. The significant challenges were set out in the report. A dedicated programme team, clear governance and strong political and senior management support was vital for success in meeting the challenges.

(4) The Future Highways Programme included a review of the Term Maintenance and Consultancy contracts, aligning the service to the needs of the business, relocating services to where they were best placed and supporting the staff through training. Engagement and communication was paramount to ensure seamless change without disruption to service delivery. The Programme was divided into Phases and delivered the following activities:-

- Phase 1 delivered a new Term Maintenance Contract. Enterprise commenced the contract in September 2011 with a continuity of service from Ringway.
- Phase 2 delivered the mobilisation and embedding of the Enterprise contract into the business.

- Phase 3 had delivered, the internalisation of the Structures Team, Intelligent Traffic Systems, Crash Data Team and Arboriculture Service (Soft Landscape) – the teams and their ICT systems were moved from Jacobs’ employment and place of work to H&T offices under Kent County Council Employment.
- Phase 4 delivered a new Technical and Environmental Services Contract which commenced in April 2013. It also included the demobilisation of Jacobs and the extraction of key systems. The mobilisation of Amey was also undertaken in phase 4 to ensure that the new Consultant was ready to commence work on 1 April 2013.
- Phase 5 delivered the assimilation of Transport Integration into H&T.

(5) The H&T/Enterprise partnership was designed ensuring that “every pound counts”. The contract was procured as Enterprise offered the best balance of cost versus quality. Risk was allocated to those best placed to manage it and there was clear ownership of liability – KCC only paid once for any works done thereby driving “right first time” workmanship. Performance had improved across the business with regard to response times, budget management, programming of works and route optimisation; all were key areas where working better together with Enterprise was proving particularly successful. Relationships were already being successfully forged with Amey and early indications showed that the principles of the new contract were being embraced by both the business and consultant. The decision to internalise some services into the business had already shown economies were realised.

(6) The report set out evidence of H&T’s level of success.

(7) Mr Gilbert of Amey updated Members on staff changes and office facilities.

(8) RESOLVED that the report be noted, now that the Future Highways Programme was substantially completed.

## **25. New Funding Streams**

*(Item D3)*

(1) There had been significant changes to the funding arrangements for local government which impacted on both the day to day revenue budget and the capital programme. The report examined the changes and in particular identified opportunities for funding infrastructure developments and improvements. The changes must be considered in the overall fiscal context of a shrinking public sector as the Government sought to eliminate the budget deficit and reduce the size of the public sector within the overall economy by reducing public spending as a proportion of the Gross Domestic Product (GDP).

(2) The shift in emphasis from revenue to capital spending was extended in the Chancellor’s Budget Statement on 20 March when he indicated that spending reductions would need to continue into 2017/18 to meet revised deficit reduction targets, and there would be a further switch of £15bn of spending from revenue to capital over the five year period from 2015. As yet there was no further detail on departmental allocations of the additional capital but it was indicative of the Government’s shifting emphasis towards more capital infrastructure spending.

(3) New arrangements for the treatment of business rates were introduced in 2013/14. Previously all of the business rates collected by local authorities were pooled and redistributed by Formula Grant (which also included a small top-up from Revenue Support Grant -RSG). Under the new arrangements 50% were pooled (and redistributed as new RSG) and the remaining 50% retained locally. The report set out a number of features and consequences of the new arrangements which were important to bear in mind in considering infrastructure funding streams.

(4) Overall the new arrangements meant the County Council stood to gain very little from infrastructure developments which resulted in additional business rates, but could lose substantial sums from business rate reductions. The scope to increase Council Tax also looked likely to be constrained by tight referendum requirements (although the County Council would still benefit from the lion's share of any additional Council Tax from new housing developments).

(5) New Homes Bonus (NHB) grant would continue to be allocated as a separate funding stream based on new housing developments and bringing empty properties back into use. The grant was not ring-fenced i.e. it could be used for any purpose. New developments would attract funding for 6 years which meant the grant increasing in instalments between 2011/12 to 2016/17 could be anticipated, but thereafter increases would be determined on new developments being larger than the developments dropping out. However, after the initial injection of £250m in SR2010 the roll out was funded from top-slicing the RSG settlement. 80% of NHB was paid to district councils. The remaining 20% was paid to the County Council. Each year to date the county's share of NHB had amounted to an additional £1.4m to £1.5m and had been used to support the overall budget rather than a particular purpose.

(6) The Community Infrastructure Levy (CIL) had been introduced as an alternative way for new developments to contribute towards the cost of public infrastructure. CIL was designed to work alongside and improve upon existing arrangements to levy developer contributions under section 106 of the Town and Country Planning Act 1990. S106 contributions and CIL could not be raised to fund the same infrastructure requirements. The charging schedule should set out the types of infrastructure that would be supported by CIL, S106 contributions could only be sought for specific sites which would trigger additional infrastructure needs over and above those set out in the CIL charging schedule.

(7) The County Council was working closely with district councils to ensure that the County Council's infrastructure requirements were included within the district councils CIL charging schedules, and contributions were passed across in a timely manner.

(8) Legislation was expected to be passed which would enable local authorities in England to be able to use Tax Increment Financing (TIF) as a future source of funding infrastructure development. Currently TIF could only be used by Scottish authorities. The localisation of business rates should make TIF viable. TIF enabled the local authority to borrow against the additional business rate yield which would be generated from infrastructure schemes. Currently local authorities were limited to borrowing within their existing overall revenue streams and had to make a prudent assessment of the minimum revenue provision (MRP) to offset against borrowing. Under TIF local authorities would be able to borrow against tax growth.



(9) The new local authority arrangements included a number of opportunities for funding major infrastructure developments. The new funding streams included:-

- Additional government grants out of the £15bn switch from revenue to capital announced in the March 2012 budget
- Scope to use New Homes Bonus from specific developments to support infrastructure development
- Scope to negotiate CIL with district councils
- Scope to use TIF powers

(10) RESOLVED that the report be noted.

## **26. Highways and Transportation Winter Service Review for 2012/13** *(Item D4)*

(1) Mrs C Valentine gave a presentation on the highways winter service which began on 12 October 2012 and ended on 26 April, and had been carried out in line with the Winter Service Policy 2012/13 approved by the Cabinet Committee on 20 September 2012. The winter had been particularly cold and prolonged with snow days in several months, the most severe occurring in January and March when snow emergencies were declared. The report set out the key elements of decision making in winter and the effectiveness of actions that were taken in relation to the snow emergencies. It also discussed lessons learnt and provided detail on current and future actions which contribute towards the continuing improvement of the winter service.

(2) The allocated budget for winter service for 2012/13 was £3,237,704. The cost of both winter emergencies was approximately £1,133,141 (final costs for March were still to be submitted).

(3) A detailed road weather forecast was provided by Meteogroup under a term contract arrangement. The forecasted nature and timings of weather events determined when the salting runs were carried out. When heavy snow fell, it quickly overcame the salt, and road surface temperatures dropped very quickly, meaning that the salt could not activate and prevent freezing. Ploughing was the only effective way to deal with more than a few millimetres of snow and all gritter lorries were fitted with ploughs when snow was expected.

(4) A countywide snow emergency was declared when significant snow fall (50mm or over) was expected across the county. All available resources were deployed; local winter plans were activated; and partnership work with the district councils was put into operation. The partnership work with districts that was formally adopted in 2010/11 had proved to be highly effective and had resulted in great improvement in the clearance of town centres during snow emergencies.

(5) Over the past few years a number of improvements had been made to the winter service which had resulted in a more effective and efficient service, including the provision of salt/sand bags to parish councils; new contracts with farmers; a formal partnership arrangement with district councils; and improved communications and messages for the public. For the coming winter further initiatives were being planned for the continuous improvement of the service, including:

- Snow treatments
- Route based forecasting
- Route optimisation
- Partnership working
- Communications
- Self-help

(6) Overall this season's winter service had been successful with many compliments received by members of the public and organisations and businesses. The two winter emergencies were managed well though it was acknowledged that difficulties did occur during the second one and steps were being taken to review that.

(7) RESOLVED that the report be noted, and the proposed initiatives for continuous improvement of the service, be endorsed.