

MINUTES of the meeting of Environment Scrutiny Committee held at :The Council Chamber, Brockington, 35 Hafod Road, Hereford on Monday, 9 June 2008 at 9.30 a.m.

Present: Councillor RI Matthews (Chairman)
Councillor KG Grumbley (Vice Chairman)

Councillors: CM Bartrum, WLS Bowen, JHR Goodwin, JW Hope MBE, MAF Hubbard, TW Hunt, PM Morgan, A Seldon and PJ Watts

In attendance: Councillors PJ Edwards, TM James, JG Jarvis (Cabinet Member Environment and Strategic Housing), AT Oliver, J Stone and DB Wilcox (Cabinet Member Highways and Transportation)

1. APOLOGIES FOR ABSENCE

There were no apologies.

2. NAMED SUBSTITUTES

There were no named substitutes.

3. DECLARATIONS OF INTEREST

No declarations of interest were made.

4. MINUTES

RESOLVED: That subject to recording that Councillor CM Bartrum had been in attendance the minutes of the meeting held 31 March 2008 be approved and signed by the Chairman.

5. SUGGESTIONS FROM MEMBERS OF THE PUBLIC ON ISSUES FOR FUTURE SCRUTINY

No suggestions were received from members of the public.

6. PRESENTATION BY CABINET MEMBER (ENVIRONMENT AND STRATEGIC HOUSING)

The Committee received an oral presentation by the Cabinet Member (Environment and Strategic Housing) who commented on: the achievement or areas for improvement in the past year in his programme area, as it related to this Committee, what needed to be addressed in the coming year and indicated issues he may wish to involve Scrutiny in.

The Cabinet Member (Environment and Strategic Housing) briefly described: the highlights from 2007-08; performance, and the challenges to be faced.

He also commented on future work for scrutiny, not necessarily this committee, and highlighted the review of planning services, being a later agenda item. He also referred to the wider issues and purpose of regeneration and how this related to the

sub national review of economic development and the evolving role of Advantage West Midlands. He further referred to the need to ensure that the growth point status delivered sustainable communities and provided an appropriate mix of housing and employment in high quality environments and were well served by a choice of transportation.

During the presentation and subsequent debate the following principal points or comments were noted:

- The Committee congratulated the Service on the successful outcome from the Cadburys court case.
- In conjunction with the police spot checks and follow-up action was undertaken in relation to enforcing alcohol licensing, which included sales through supermarkets.
- The Cabinet Member acknowledged that the provision of recent information on the proposed Butter Market Refurbishment scheme may have been fragmented. A meeting would be held later in the week to agree the Lead Cabinet Member and a team to progress the scheme. Further information would be provided to Members and to a future meeting of the Committee.
- The Cabinet Member commented that the emerging Regional Spatial Strategy indicated that 16,600 new homes should be built in Herefordshire in the period 2006-2026. If the County were unable to meet any extended target then evidence would need to be provided through the Local Development Framework.
- Herefordshire was recycling 30% of its waste against the Government target of 40% by 2010. Public consultation – including web-blogs - was underway about continuing the weekly residual waste (back bags) collection and proposal to change recycling collections to fortnightly, where possible by wheeled bin. The Government target related to weight and therefore wheeled bin would enable mixed recyclables, including glass, to be collected. While a wider range of materials could be sorted via a comingled process, issues still remained in finding an end market for the sorted material. Discussions had been on going with Envirobility on how to diversify or integrate the successful scheme covering the Ross-on-Wye area. A Members seminar on waste had been held earlier in the year and the Cabinet Member invited Members to consult with their Parish Councils to ensure that as much input could be given to future debate.
- Questioned on the 'waste to power' option the Committee noted that discussions were ongoing concerning letting and delivering the new waste collection contract.
- The Committee noted that the Council had no responsibility towards commercial waste. The Council had undertaken a trial recycling scheme of glass from public houses, however, this had been stopped due to continual problems with sorting the various glass types. The Cabinet Member agreed that the recycling of commercial waste needed to be addressed by central government.
- Responding to comments regarding the restricted opening of household waste bring sites the Cabinet Member responded that many of the sites had limited opening due to planning restrictions.
- The Committee noted that after a number of years in trying to establish a baseline energy usage by Council premises a firmer position had been established. It was also noted that the contract for 'green electric' had been cancelled.

The Chairman thanked the Cabinet Member (Environment and Strategic Housing for his presentation and comments on his programme area.

7. PRESENTATION BY CABINET MEMBER (HIGHWAYS AND TRANSPORTATION)

The Committee received a PowerPoint presentation by the Cabinet Member (Highways and Transportation) who commented on: the achievement or areas for improvement in the past year in his programme area, what needed to be addressed in the coming year and indicated issues in which he may wish to involve Scrutiny. Copies of the presentation were made available at the meeting and a copy has been entered in the Committee minute book.

The Cabinet Member (Highways and Transportation) gave a brief overview of the Highways and Transportation Service; achievements in 2007/08; funding and work both underway and for the future.

During the presentation and subsequent debate the following principal points or comments were noted:

- Key indicators showed an improvement to the condition of principal and non-principal roads. Cycling had also increased. The Cabinet Member expressed disappointment that the number of 'killed and seriously injured traffic casualties' had risen against last year. He also commented that a fine balance was needed between expenditure on both principal and non-principal roads, which ensured continued government support, and expenditure on unclassified roads which also required considerable maintenance. Current funding was limited to maintain the 2000 miles of road in the County and this made it difficult to meet the demands for adequate maintenance on unclassified roads.
- While the Local Transport Plan provided the bulk of the funding other funding streams were pursued whenever opportunities arose.
- Responding to questions on the working relationship with the Highways Agency and possible detrunking of the A49 and A645, the Cabinet Member responded that he was currently seeking a meeting with the new Regional Director of the Highways Agency to discuss issues. The Agency had offered to detrunk the A465 but the conditions were currently not acceptable to the Council and the situation had to be looked at in conjunction with the Welsh Assembly. Currently the Agency were not offering to detrunk the A49. The Agency's maintenance priorities were still focused on motorways and major accident black spots in the region.
- Questioned on whether the increase in cycling could be attributed to work/school trips the Committee were informed that fixed 'counting points' were used. While they provided reliable data it was not possible to determine the destination of the cycle trip. Further work was underway with Children's Services to try to ascertain any increase in cycling to school.
- The Cabinet Member emphasised that every casualty or death was one too many and in liaison with the police every incident was investigated. He undertook to provide a further break down of the accident statistics.
- The Cabinet Member commented that major consultation would be undertaken on the Hereford Outer Distributor Road proposal. The results of a submission to the West Midlands Regional Assembly for their support would be known in late summer. This subject would no doubt be debated in future meetings. A view was expressed that local Members and Parish Councils should be kept informed and closely involved.
- The replacement of Colwall Railway Bridge by Network Rail was expected to start in spring of next year. The Councils contribution towards costs would not be known until a detailed design had been agreed.
- The Rotherwas Access Road was expected to be open in the next 2 to 3 weeks. The date of the official opening by AWM had yet to be announced.

- Responding to a question concerning progress with the Leominster Relief Road the Cabinet Member reported that a report from Leominster Town Council had just been received and was being appraised officers.
- Questioned on the justification for splitting Transportation and Highways the Cabinet Member responded that transportation encompassed the strategic element and, combined with planning, could contribute to the many planning policy objectives. Highways dealt with the management, maintenance and operation of the road network.

The Chairman thanked the Cabinet Member (Highways and Transportation) for his presentation and comments on his programme area.

8. REPORT BY DIRECTOR OF ENVIRONMENT AND CULTURE

The Committee received a report on how the Environment Directorate (now the Environment and Culture Directorate) had performed against the Directorate Plan and performance targets and were informed of issues for the future.

The Director of Environment and Culture (formerly Director of Environment) reported that there were continuing financial pressures on budgets arising from the need to meet inflationary uplifts on non-staff costs and gave the example that the construction industry inflation figure was at 12%. The review of the Amey contract was therefore critical to service delivery and cost management for future years.

He reported that the Directorate/Improvement Plan could be set out under four headings and commented that:

1. Customers – there was a need to ensure that services were representative of the wishes of the public and met the targets set. This needed to be monitored e.g. through the Satisfaction Survey, and addressed if necessary.
2. Reputation – the Council needed to ensure that areas of good practice was known about and shared. Further promoting the County as a good place to live and work would also help with staff recruitment and morale.
3. Value for Money – benchmarking against similar authorities would continue to ensure that a cost effective quality service was provided. The issue of sustainability should also be considered, on which this authority was leading the way.
4. Staff – most staff lived in the County and therefore were also users or customers of the service. Staff were encouraged to participate in staff opinion surveys.

On a general note he emphasised the need to both discuss and deliver projects with the Council's partners. He also commented on the need to identify assets and integrate services to ensure that they provided the right service in a timely efficient way.

Questioned on his comment regarding ensuring that the Herefordshire Council logo was given due prominence, he clarified that whenever or wherever the Council had been involved in a project or funding then the Council's part in that project should be made known to the public.

Clarifying the comment on sustainability in relation to Value for Money the Committee noted that while financial, social and economic issues were automatically considered within projects the Council were actively looking to extend this to include sustainability issues.

Responding to a comment regarding the loss of continuity, particularly when staff left the Council, the Director of Environment and Culture acknowledged that this had

been an issue, particularly in highways, however, this was being addressed. Amey also wished to ensure that local issues were addressed and therefore were keen to engage with Parish Councils.

In answer to a question concerning contract inflation the Director of Environment and Culture explained that it was common for contracts to be linked to a rate of inflation of which there were many methods of calculation. Many environment contracts were linked to the construction industry method of calculation which, due to the high demand for steel and concrete in places like China and India and the increasing Olympic effect, meant that costs were high.

Returning to Value for Money a point was made that the Council needed to ensure that tenders and contracts were properly specified and monitored to ensure that over inflated prices were not being paid.

The Chairman thanked the Director of Environment and Culture for his report.

9. REPORT BY DIRECTOR OF REGENERATION

The Director of Regeneration gave a brief overview of how the new Directorate would contribute to the aims and ambitions of the Council, within the terms of reference of this Committee.

The Director of Regeneration reported that the establishment of the new Council/Primary Care Trust management team and structure had resulted in the establishment of the Regeneration Directorate. This reflected the growing need to bring together a range of service that supported the economic life and regeneration of the County. He highlighted the range of current and emerging central and regional government policies which needed to be addressed, particularly in the areas of planning; transportation and housing. The Directorate now provided a number of cross portfolio holder services and this would ensure that Cabinet Members; Directors and staff provided co-ordinated outcomes.

He outlined a number of priority areas including: working with stakeholders/partners in raising the profile of the County at regional level to secure additional funding; ensuring growth without damaging the assets of the County; ensuring that new housing was in the right place thereby contributing to communities and supporting schools. Work would continue on projects such as the Rotherwas Futures and the Widemarsh improvements/ESG scheme.

The new Directorate would comprise of a Head of Planning and Transportation; a Head of Economic and Community Services and a Head of Strategic Housing. The underlying structures in the Directorate were subject to review.

The Chairman thanked the Director of Regeneration for his report.

At this point the Committee adjourned for 5 minutes and reconvened at 11.59am.

10. REVIEW OF THE SERVICE DELIVERY PARTNERSHIP WITH AMEY WYE VALLEY LTD - UPDATE

The Committee received an update on progress with the review of the Council's Service Delivery Partnership with Amey Wye Valley Ltd.

Committee Members received a copy of a report to be presented to Strategic Monitoring Committee on 13 June 2008 covering Phase 2 of the Service Delivery

Review which had been produced since publication of the Environment Committee agenda.

The Acting Head of Highways and Transportation reminded Members that the aim of the project was to review the Council's approach to delivering services through the existing Service Delivery Partnership and to identify a preferred option to ensure that the Council can deliver a better service for less cost. The review was commissioned to examine alternative forms of service delivery with a view to identifying an approach for the future that would meet the objectives of: securing annual savings to the Council of a minimum of £1 million and improving current quality and levels of service. He reported that the first phase of the review had been completed namely identifying possible approaches to service delivery and a set of criteria against which the options could be shortlisted. The second phase had considered the shortlisted options in more detail to identify a model for future implementation in Herefordshire. The Phase 2 report examined the potential future partnership between Herefordshire Council and Amey through the analysis of the identified models described in detail in the report. In summary these were:

- Improved business as usual which would look to improving the current agreement with extra bonus and penalty payments;
- Implementing a managing agent contract that would shift the partnership interface to give a greater responsibility for planning to Amey;
- Implement a managing agent type model but with services delivered by an organisation staffed by employees of both Amey and Herefordshire Council and managed by a single manager reporting to both organisations.

The Committee were informed that Amey were being very cooperative in jointly reviewing the contract. At this early stage in the review the 'total estimated savings' indicated in the report were only estimates and could not be guaranteed.

The Committee noted that the report would be considered by Strategic Monitoring Committee and that any comments should be directed to the Chairman or Vice-Chairman to raise at that Committee.

The Director of Environment and Culture emphasised that this was a Council contract being reviewed by the Council. Any issues needed to be raised at an early stage so that they could be addressed during the review as the Council would have to work with the resultant revised contract.

RESOLVED That the current position set out in the report to Strategic Monitoring Committee and further out lined above be noted and Members agreed to refer any questions or comments to the Chairman or Vice-Chairman for discussion at Strategic Monitoring Committee on 13 June 2008.

11. CAPITAL BUDGET MONITAIRNG

The Committee were advised on the final outturn position for the 2007/08 Environment Capital Programme and the proposed programme for 2008/09.

The Committee were advised that the total of the Capital Programme had slightly increased to £27,599,000 from the figure of £27,586,000 reported to the previous meeting. Brief details of the net increase were set out in the agenda report together with the final outturn position set out at appendix 1 to the report.

The proposed Capital Programme for 2008/09, attached to the report at appendix 2, indicated the budget had increased to £19,949,000 from the original budget included in the Medium Term Financial Management Strategy of £16,203,000. This increase

related to net additions due to slippage in the 2007/08 programme; an additional allocation for enhancements to High Street, Hereford, of £751,000 and various costs (£1,390,000) associated with the Rotherwas Access Road.

On scrutinising the report the following principal points or comments were noted:

- Concern was raised regarding an apparent mismatch in the use of the budgets. It was suggested that greater emphasis had been placed on vehicle related budgets, hence many of the overspends, in favour of the people related budgets e.g. underspends in footway and cycle related budgets, and that this was contra to the Local Transport Plan. The Acting Head of Highways and Transportation acknowledged that due to the July 07 floods a number of schemes in the programme had been delayed and the budgets had been adjusted accordingly. Overall, under the direction of the Cabinet Member and the Director of Environment and Culture, the programme had been adjusted to make best use of the capital allocation.
- Responding to a comment that the investment was not alleviating the gridlock in the City, the Acting Head of Highways and Transportation informed the Committee that evidence from local surveys indicated that both cycle and public transport usage had risen. The congestion issue was taken seriously and both the Park and Ride scheme and an intelligent transport scheme were contained in the LTP.
- Questioned on the additional allocation (£751,000) for enhancements to High Street, Hereford, the Cabinet Member (Highways and Transportation) informed the Committee that the improvement works to High Town, undertaken during 2007, had also included works to Widemarsh Street. However, at the request of a number of traders those works had not been undertaken at that time. While the intention had been to undertake improvements to Widemarsh Street to create an integrated streetscene to link to the ESG within the current financial year, he warned that, to ensure a consistent use of materials etc, the improvement programme may slip to the 2009/10 financial year.
- Asked to clarify the increase in costs of the Rotherwas Access Road the Cabinet Member (Highways and Transportation) reported that while some elements had been covered by the contingency fund in the contract e.g. work due to the Rotherwas Ribbon, other unforeseen works, such as necessary adaptations to accommodate utility works, needed to be funded.
- Questioned on the underspend on rail improvements the Committee noted that improvement schemes were intended for Hereford, Ledbury and Leominster stations, however, progress had been delayed due to negotiations with the rail authority.

The Director of Environment and Culture concluded by commenting that with the number of schemes underway a number of delays were almost inevitable and therefore schemes or budgets were re-profiled to make best use of the available capital resource.

RESOLVED: That

- a) **The position as set out in the Capital Budget Monitoring report be noted; and**
- b) **The Committee regrets the continual underspends on sustainable transport budgets, particularly cycling initiatives, as opposed to overspends on car management and road building. The Committee requests that all officers delivering the Local Transport Plan should make every effort to ensure that budgets for sustainable modes of transport will be fully committed in 2008/9.**

12. REVENUE BUDGET MONITORING

The Committee were advised of the final revenue outturn position for Environment for 2007/08 and the agreed budget for 2008/09 and the emerging budget pressures.

The Director of Resources representative reported that in overall terms the Environment Directorate overspent by £60,000, which represented a variance of 0.2% against the agreed budget. This excluded £360,000 the Directorate met as part of the unfunded element of the damage caused by the July 2007 floods. Brief details of the main overspends (or underspends) were set out in the agenda report.

On scrutinising the report the following principal points or comments were noted:

- The Head of Planning Services confirmed there was no specific budget for any legal costs incurred in relation to appeals to planning decisions. This may be an issue the proposed scrutiny review of the planning service would need to look into. (See following agenda item).
- In view of the general down turn in the housing market it was questioned whether the expected increase in planning fee income (£200,000) could be realised. The Head of Planning Services responded that both the number of developer applications and the availability of mortgages had a bearing on the number of developer or home improvement applications. The position would be closely monitored and further reported later in the financial year.
- In view of the large underspend (£917,000) in Environmental Health and Trading Standards budget the Committee sought assurances that all elements of the service were being adequately provided. The Head of Environmental Health and Trading Services reported that a high level of service was being provided. A major contributor to the underspend had been the continued standstill on the Waste Disposal contract; additional fee income from the Cadbury's court case and unbudgeted grant from the Food Standards Agency.
- The Committee noted that the 'Winter Maintenance' budget (£510,000 overspend) had been used to account for the unexpected additional expenditure arising from the July 07 floods which the Council had been unable to claim under the Belwin scheme. The Committee questioned whether an appropriate maintenance budget had been set for an 'average winter'.
- The Committee noted a suggestion by the Cabinet Member (Highways and Transportation) that increased usage in one area e.g. Concessionary Travel (£33,000 overspend) could result in an effect in another budget e.g. reduced income (£95,000) on car parking.

RESOLVED: That the position set out in the Revenue Budget Monitoring report be noted.

13. SCRUTINY REVIEW OF PLANNING SERVICES

The Committee considered both the principle of a review of the Council's Planning Service and its terms of reference.

The Chairman apologised for the haste with which the item, and the appointment of members, was considered at the previous meeting. Written terms of reference were now available in the agenda which the Committee considered.

The Vice –Chairman suggested two changes at paragraph 9 namely that at the 4th

bullet point the word 'ability' be changed to 'resources' and at bullet point 7 'process' be changed to the plural.

The Cabinet Member (Environment and Strategic Housing) commented in relation to the 1st bullet point that the Service needed to move to being an enabler service. Ideally the completion of the review should coincide with that of the Local Development Framework.

The Committee debated a suggestion to invite HALC (Herefordshire Association of Local Councils) to put forward a representative to serve on the review team. The Committee decided not to seek a representative but emphasised that HALC/ Parish & Town Councils should be given ample opportunity to input evidence to the review as set out in the terms of reference.

RESOLVED:**That**

- a) subject to incorporating the two amendments detailed above the terms of reference be agreed; and
- b) the membership of the Planning Service Review Group to be Councillors: PA Andrews (Chair); CM Bartrum; WLS Bowen; PM Morgan; JB Williams; PJ Watts and RI Matthews as ex-officio member.

14. ENVIRONMENT COMMITTEE WORK PROGRAMME

The Committee noted the work programme.

Resolved that the Committee work Programme be endorsed and reported to Strategic Monitoring Committee.

The meeting ended at 1.00 p.m.

CHAIRMAN

