

Environmental & Community Services Select Committee

10 March 2017 – At a meeting of the Select Committee held at 10.30 a.m. at County Hall, Chichester.

Present: Mr J Rogers (Chairman)

Mr Barrett-Miles	Mr S Oakley
Mr G Jones	Mrs Phillips
Mr M Jones	Mr Whittington*

In attendance by invitation: Mr Lanzer (Cabinet Member for Highways and Transport)

*Left at 11.50am

Apologies for absence were received from Mrs Brunsdon, Mr Circus, Dr Dennis and Mr Tyler.

Part I

Declarations of Interests

249. No interests were declared.

Minutes of the 11 January Meeting

250. Members made the following comments on minute no.238, in reference to the Full Business Case of the Highways Maintenance Term Contract being back to the Committee in March:

251. Concerns were expressed that the item had now been put back to the July meeting of the Committee, which may be too late in the process for any meaningful input. Mr Ullmer, Head of Highway Operations, advised that timescales had previously been highlighted as a risk and with the Business Case not yet finalised, no negotiations between contractors had taken place. It was hoped that documentation should be ready by the end of April, but will not delay the actual start date of the contract. Members would then have the opportunity before the negotiation period to scrutinise. There were also some associated risks that had the potential to affect negotiations, with 2 members of staff leaving the County Council at the end of April. He remained confident that the contract would be placed on time, and be fit for purpose. Contact has been made with consultants in the event that recruitment for these roles cannot be sourced internally.

252. The Cabinet Member for Highways and Transport added that once scrutinised by the Committee at its July meeting, any comments would be taken into account. He also highlighted the staffing issue and the need to prepare the negotiating capacity.

253. Resolved – that the minutes of the Environmental and Community Services Select Committee held on 11 January 2017 be approved as a correct record, and that they be signed by the Chairman.

Part I Minutes of the 11 January Joint Meeting

254. Resolved – that the Committee had no comment on the Part I minutes of the Environmental and Community Services Select Committee and the Performance and Finance Select Committee joint meeting held on 11 January 2017.

Cabinet Member's Response to the Committee's Recommendations on the Highways Maintenance Term Contract 2018

255. The Committee noted the Cabinet Member's Response to the Committee's Recommendations on the Highways Maintenance Term Contract 2018 (copy appended to signed minutes).

Implementation of the Highways Asset Management Strategy

256. The Committee considered a report by Acting Executive Director of Economy, Infrastructure and Environment and Director of Highways and Transport (copy appended to signed minutes).

257. Rowan Sheppard, Asset Manager (Interim) introduced the report which set out the key drivers for implementing the Highway Infrastructure Asset Management Strategy, and highlighted the areas for future monitoring and scrutiny to ensure effective delivery of the asset management approach.

258. The Committee made comments including those that follow. It:

- Queried the benefits of attaining the ISO 55001: Asset Management – Management Systems standard; and how much it would cost to apply and retain annually. An officer advised that most government contracts required their supply chain to have this standard and there was an expectation that local authorities would seek accreditation, over time. Costs would involve having a suitably accredited independent body such as BSI, Atkins, DNV, on board to complete the initial assessment of our Asset Management Systems, and subsequent annual audits to maintain that standard. It is anticipated auditors would be external to the authority, unless the internal audit resource had attained appropriate accreditation to assess and review the ISO55001 standard. Similarities between the ISO 55001 standard and the Department for Transport (DfT) Incentive Fund self-assessment questionnaire were highlighted. It was not thought difficult to achieve Incentive Fund Band 3, which was a good indication that the County Council was at a level where ISO 55001 could be attained. The Department for Transport (DFT) will carry out random audits for the Incentive Fund.

Agenda Item No.2

- Queried how the County Council compared nationally to other local authorities with annual depreciation figures. An officer advised that the Network Asset Code which is used as a methodology to calculate the value of Highways Network Assets, had been in use for 5/6 years on a trial basis. During this time, local authorities had been improving knowledge of their asset data. To date, the data for last year had not been available to compare figures like for like.
- Raised concerns at the amount of time, resource and money being focused on management structure rather than work on the ground. Also highlighted the need to ensure there is enough resource to make sure adopted roads are of an appropriate standard, and assessment undertaken for assets more vulnerable to abnormal weather conditions and appropriate surface infrastructure including drainage. An officer advised that the County Council does have the right level and competency of Highways staff. An Asset Management approach enabled efficiencies and effective service delivery, the outcome of which then leads to informed investment decisions and a prioritised programme of works. Funding is focused and maintenance needs are prioritised, scheme assessments are then employed and undertaken internally, with a robust scoring system in place. The initial identification of a maintenance need is through condition data surveys. In respect of maintenance of drainage infrastructure, existing policies and strategies should tie in with future maintenance needs, and a mapping exercise is currently being carried out which will help capture data. Discussions are currently underway as to how this can be implemented and whether it can be passed onto the contractor. The Asset Management Strategy will be embedded within the Highways Maintenance Contract.
- Queried how foot and cycle ways, shared paths, bus shelters and street lights were measured as assets. An officer advised that many of West Sussex cycle paths were on roads, and are therefore measured as part of the carriageway. Cycle paths that are of shared use with footways were regularly inspected. Bus shelters inventory data was held as they were part of the transport infrastructure that is accommodated within the public highway. The County Council doesn't necessarily maintain them directly, but knowing where they are and who is responsible for them warrants the need to be on the inventory so that there is a record of them.
- Noted the importance of good communication with the public in the reporting of highways issues and defects. An officer advised that there was a good communication link between County Local Committees (CLC's) and Highways Managers. It was important to assist the public in understanding more and further communicate the County Council's policies and strategies. Giving the public more feedback on issues was currently being discussed, this would include enabling them to track defects once reported.

259. Resolved – That the Committee:

- 1) Supports the coherent asset management approach to help more accurately identify the level of investment required to maintain highway

infrastructure assets to a standard commensurate with council priorities and demand.

- 2) Acknowledges the funding benefits of attaining and maintaining Band 3 of the Incentive Fund.
- 3) Wishes to monitor the development of the work to achieve Band 3 status by January 2018 and requests an update on progress to include detailed information about depreciation levels in six months' time.
- 4) Requests that an item comes back to the Committee at the appropriate time, on a cost benefit analyses of attaining ISO 55001 and the relationship with Highways Maintenance Contract Renewal.

Solar Panels for Schools - 2017/18 Programme

260. The Committee considered a report by Executive Director of Economy, Infrastructure and Environment (copy appended to signed minutes).

261. Andrew Tolfts, Consumer Lead, Your Energy Sussex (YES) and Siobhan Walker, Partnership Manager introduced the report which gave an update on the proposal for an expanded programme to install Solar PV systems in up to 48 additional schools in 2017/18, as per the recommendations by the Committee to the Cabinet Member for Finance in July 2016. Key points were:

- The cost of electricity generated on site to schools is 25-30% lower than purchase from the grid, generating savings of £2.2m for schools over the 25 year life of the PV systems. Further large scale programmes will be planned in subsequent years.

262. The Committee made comments including those that follow. It:

- Welcomed the programme but queried why, as per the Committee's request, that the policy was not being introduced to all schools as a matter of course rather than choice and raised concerns that the County Council had been too late in introducing the policy as the government had cut the benefits for Solar PV in 2016. Ms Walker advised that other models had been explored after the pilot programme, that the PV markets had suffered and were in turmoil for a time after the reduction in tariff support and much of it was dependent on relationships with schools. Any move to force schools to have installations would require a policy change by the County Council, but that she undertook to remind the Leader that the Committee's recommendation was still for the installation of PV in schools to be standard and not a matter of choice.
- Cuts to Feed in Tariffs (FIT) were becoming much smaller and were set out to 2019, so much more could be anticipated in advance.

Agenda Item No.2

- Queried what the impact would be on the rate of return and payback if Consumer Price Index (CPI) was used instead of Retail Price Index (RPI). An officer advised that the impact of moving to CPI had not yet been modelled, but if a lower figure was assumed then it would tend to increase the benefits to the schools own return. The model was reasonably standard so can be replaced with CPI. Officers agreed to undertake this exercise and report back to the Leader.
- Questioned whether County Council schools would take priority over academies and what would happen to the panels in the event a school converted to an academy and any subsequent loss of income. Also whether there was any prospect of more schools being able to benefit if a loan was made available to fund installation. An officer advised that County Council schools would be approached first, although some academies had already shown interest. For academy conversions, legal agreements with schools allow the new academy body to take over the agreement, include an opportunity to purchase the panels or they will be taken down to be used elsewhere. In the event a school closes or the building is knocked down, they will need to pay to have the panels taken down. In any outcome, the asset will still remain with the County Council. Schools were approached in 2015 over the possibility of funding through a loan but many were reluctant to take out extra borrowing.
- Queried who will cover the additional costs if roof repairs are needed during the lifecycle of the panels, including those from an increased load, and whether there was any limit to the number of panels used per school. An officer advised a roof condition survey would be carried out as a first stage, of which the costs have already been modelled in the Business Case. Some school roofs wouldn't be able to bear the load of panels and this has been raised with Facilities Management and the Schools Capital Team. Costs to remove and replace the panels once over their lifecycle have been built in, as it is not expected to happen more than once in 25 years. The number of panels was dependent on the roof size, but there was an advantage in having larger systems of up to 1000 PV panels if the roof was big enough. If the electricity generated exceeded the amount the school could use, then the energy would be rerouted back to the County Council for its own use.

263. Resolved – That the Committee:

- 1) Supports in principle to install solar PV systems in up to 48 additional schools by the end of March 2018 at a cost of £3 million, provided thresholds for financial viability are met and
- 2) Endorses the initial programme of work for site survey, design and costings prior to approval of projects at individual schools.
- 3) Supports the delegation of approval to individual schemes to the Director of Economy, Planning and Place.

- 4) Requests that modelling using CPI instead of RPI is undertaken, and is used to inform the Leader's decision; given the potential additional benefit to school finances.

Business Planning Group Report

264. The Committee considered a report by the Chairman of the Business Planning Group (copy appended to the signed minutes).

265. Resolved – That the Committee endorses the contents of the report and particularly the Committee's Work Programme for 2017/18, revised to reflect the Business Planning Group's (BPG's) discussions.

Forward Plan of Key Decisions

266. The Committee considered the Forward Plan March to June 2017 (copy appended to signed minutes).

267. Members queried the following:

- Requested an update on the timetable for the County Council's Response to the Police & Crime Commissioner (PCC) Business Case on Fire & Rescue Service (F&RS) Governance. An officer advised that as the Business Case had not yet been finalised the draft was not available for scrutiny. It was planned that in early May a draft response will be put forward.
- Questioned what input the County Council has had to date in the development of the PCC's Business Case in relation to the F&RS. An officer advised that this information can be provided to the Committee.

268. Resolved – That the Forward Plan be noted.

Date of the Next Meeting

269. The Committee noted that its next scheduled meeting will take place on 10 July 2017 at 10.30am at County Hall, Chichester.

Exclusion of Press and Public

270. Resolved - That under Section 100(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in Part I, of Schedule 12A, of the Act by virtue of the paragraph specified under the item and that, in all the circumstances of the case, the public interest in maintaining the exemption of that information outweighs the public interest in disclosing the information.

The meeting ended at 12.40pm

Chairman

Summary of Matters discussed in the absence of the Press and Public

Part II Minutes of the 11 January Joint Meeting

(Exempt, paragraph 3, Financial or business affairs of any person (including the authority))

Resolved – that the Committee had no comment on the Part II minutes of the Environmental and Community Services Select Committee and the Performance and Finance Select Committee joint meeting held on 11 January 2017.

Cabinet Member's Response to the Committee's Recommendations on the Westhampnett Solar Farm Development

(Exempt, paragraph 3, Financial or business affairs of any person (including the authority))

The Committee noted the Cabinet Member's Response to the Committee's recommendations on the Westhampnett Solar farm Development. The Committee considered all the relevant information and made comment.

Cabinet Member's Response to the Committee's Recommendations on the Procurement Strategy for Future Management of Refuse Derived Fuel

(Exempt, paragraph 3, Financial or business affairs of any person (including the authority))

The Committee noted the Cabinet Member's Response to the Committee's Recommendations on the Procurement Strategy for Future Management of Refuse Derived Fuel.