

MINUTES of the meeting of the **ECONOMIC PROSPERITY, ENVIRONMENT AND HIGHWAYS BOARD** held at 10.30 am on 10 March 2016 at Ashcombe, County Hall, Penrhyn Road, Kingston upon Thames, KT1 2DN.

These minutes are subject to confirmation by the Board at its meeting on Thursday, 21 April 2016.

Elected Members:

- * Mr David Harmer (Chairman)
- Mr Bob Gardner (Vice-Chairman)
- * Mrs Nikki Barton
- * Mr Mike Bennison
- Mrs Natalie Bramhall
- * Mr Stephen Cooksey
- * Mrs Pat Frost
- * Mr David Goodwin
- * Dr Zully Grant-Duff
- * Mr Ken Gulati
- * Mr Peter Hickman
- * Mr George Johnson
- * Mr Richard Wilson
- * Mrs Victoria Young

In attendance

Mr John Furey, Cabinet Member for Highways, Transport and Flooding

13/16 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Bob Gardner and Natalie Bramhall.

14/16 MINUTES FROM THE PREVIOUS MEETING: 26 JANUARY 2016 [Item 2]

The minutes were agreed as an accurate record of the last meeting.

15/16 DECLARATIONS OF INTEREST [Item 3]

None were received.

16/16 QUESTIONS AND PETITIONS [Item 4]

None were received.

17/16 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE BOARD [Item 5]

Key points raised during the discussion:

1. A response had been received from the Cabinet Member for Highways, Transport and Flooding following recommendations made

to Cabinet on 2 February 2016 regarding extension to the Kier contract.

2. The Chairman explained that the Board's recommendation regarding the Surrey Wildlife Trust would be resubmitted to Cabinet as the proposals being put forward were still the same. A member of the Board strongly objected to the recommendations in the Surrey Wildlife Trust report. The Chairman stated that he would be attending the Cabinet meeting to present the board's recommendations and concerns.

18/16 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6]

Key points raised during the discussion:

1. The Board noted the progress made on the Recommendation Tracker and reviewed the Forward Work Programme.
It was explained that 25% of local committee highways budgets had been allocated towards flooding, members questioned whether a list of schemes and priorities on flooding was available. Officers present informed the Board that this information was available; this would be circulated to Members after the meeting. It was also agreed that information relating to 'wet-spots' in the county would be circulated.
2. The Board was informed that there would be some movement in the budget for pavements (formerly referred to as footways) for 2016/17 and this would be reported back to the board as part of the wider asset management strategy.
3. Members requested that the changes to Community Recycling Centres (CRC) and the introduction of a charging scheme to CRC's be brought to the board. The Chairman explained that this was something the Joint Waste Management group would be exploring.

Actions:

For the Assistant Director of Highways and Transport to circulate a works list detailing the schemes being undertaken through the local committee highways budget (25%) allocated towards flooding. For the Assistant Director of Highways and Transport to also provide members with an update on 'wetspots' in the county.

19/16 UPDATES FROM MEMBER REFERENCE GROUPS AND TASK GROUPS [Item 7]

Key points raised during the discussion:

1. The Chairman of the Basingstoke Canal Task Group informed the Committee that there would be a formal report to the Board in June 2016.
2. The Chairman of the Countryside Member Reference Group informed the Board that the member reference group had recently met to discuss the report to cabinet.
3. The Chairman of the Customer Service Excellence Board informed the Committee that the Resident Experience Board had recently looked at customer service from the Highways department and lessons to be learnt.

4. It was noted that four recommendations were made at the Performance and Finance sub-group and would be reported back to the Council Overview Board. The group had found the cost analysis breakdown of the services helpful. The sub group would meet and review the Medium Term Financial Plan (MTFP) in July 2016. It was agreed that the budget setting for this year had been difficult.
5. The Local Transport Review Member Reference Group would be meeting on 22 March and the winter maintenance task group would meet again in July 2016.

20/16 PROJECT HORIZON [Item 8]

Declarations of interest:

None

Witnesses:

Jason Russell, Assistant Director for Highways and Transport
John Furey, Cabinet Member for Highways, Transport and Flooding
Mark Borland, Works Delivery Group Manager
Jane Young, Carriageway Team Leader

Key points raised during the discussion:

1. The Assistant Director for Highways and Transport introduced the report and informed the board that the service was planning for year 5 of the Horizon programme and will await for Cabinet to approve year 4 of the programme. Currently the service was working on ensuring the controls were robust and changes were managed. It was explained that the asset management team would also be involved in the delivery of Horizon going forward and would be responsible for generating the list of schemes.
2. The Committee was informed that the targets had been agreed three years ago and were achievable through the five year programme. At the end of year five of the programme, 50km of Surrey's roads would be resurfaced. Many lessons had been learnt along the way and officers would work with the MRG to ensure effective delivery of the programme.
3. Officers provided the board with a short presentation on Project Horizon (attached as Annex 1). Officers noted that a minimum of 10% of Surrey's roads would be completed by the end of year four. It was added that before the project had started in 2011, one in five Surrey roads were in a critical condition. In the last three years that had been reduced to one in eight. External partners were being worked with to achieve third party to complete to project, officers added that by the end of April a full four year programme could be issued.
4. Members raised concern over communication previously received regarding the programme. Officers responded that due to the complexity of the programme and a lack of capacity, communication had suffered. Recent improvements had been made and Members would be engaged in the programme. The importance of engaging Members in programmes was expressed in order to acknowledge success or raise concern. A works communications team had been bought in house to deal with communications issues.

5. It was stated by officers that the Horizon programme for year 4 and 5 would be circulated amongst local committees.
6. Members congratulated officers on the delivery of the programme but had key concerns around utility companies digging up roads which had been resurfaced under Horizon. Officers explained that utilities companies were unavoidable but were becoming more cooperative. Officers will be sharing the asset management programme with utilities companies to ensure clear communication going forward.
7. The Cabinet Member informed the Board that Surrey County Council (SCC) was the only authority to have successfully put together a programme like this in the whole country.
8. The Cabinet Member explained that due to the budgetary issues faced by local government this year the year 4 programme for Horizon has had to be completed in a short amount of time so contractors are prepared to start work. Officers stated that the year 4 programme would be shared with members as soon as the budget had been agreed by Cabinet.
9. A member of the board asked for clarity around the life of a road under Horizon. The Carriageway Team Leader stated that when warranties are discussed with contractors, a design lasting ten years is always sought.
10. A member of the board asked why there could not be an increase in enforcement officers. The Works Delivery Group Manager stated that he believed there was the correct balance of enforcement officers. Enforcement officers were taking a key role in monitoring the quality of work and the materials being used.
11. The Chairman commended officers on the Horizon programme and agreed there had been a complete change of feeling amongst the board.

Recommendations:

The Committee noted the update on Project Horizon.

Actions:

None.

21/16 SURREY INFRASTRUCTURE STUDY [Item 9]

Declarations of interest:

None

Witnesses:

Lesley Harding, Place and Sustainability Group Manager

Sue Janota, Spatial Planning and Policy Manager

John Furey, Cabinet Member for Highways, Transport and Flooding

Key points raised during the discussion

1. The Place and Sustainability Group Manager introduced the report and presented the Board with a presentation detailing the study's findings (attached as Annex 2). It was explained that the Surrey Infrastructure Study had now been published. Members acknowledged the effort committed by officers to complete this work stream.

2. The Cabinet Member explained that the South East area had generated great interest amongst the LEP's. It was further explained that south east leaders had put forward a report detailing infrastructure requirements for the region.
3. It was noted that the South East of England contributed £80 billion net to the government each year.
4. A member of the board queried how officers would keep the study up to date as currently the study was formed on a snapshot of Surrey as of July 2015. The Spatial Planning and Policy Manager explained that Surrey planning officers and District and Borough colleagues would work closely together to keep each other informed on any changes going forward. Officers would also be going back to consultants on this matter. Officers explained that the software was in place to easily update numbers in the study.
5. Members agreed that a great amount of hard work had been dedicated to the development of the study but this was only a snapshot based on current assumptions. Members noted that factors such as immigration and airport expansion could affect future assumptions.
6. Officers explained that London was looking to review their infrastructure plan which could have a knock on effect on Surrey but engagement with London was taking place.

Recommendations:

The Committee noted the findings of the Surrey Infrastructure Study and the next steps.

Actions:

None.

22/16 DATE OF NEXT MEETING: 21 APRIL 2016 [Item 10]

The date of the next Economic Prosperity, Environment and Highways Board would be held at 10.30am on 21 April 2016.

Meeting ended at: 1.14 pm

Chairman

Project Horizon Overview

Mark Borland
Jane Young
10 March 2016

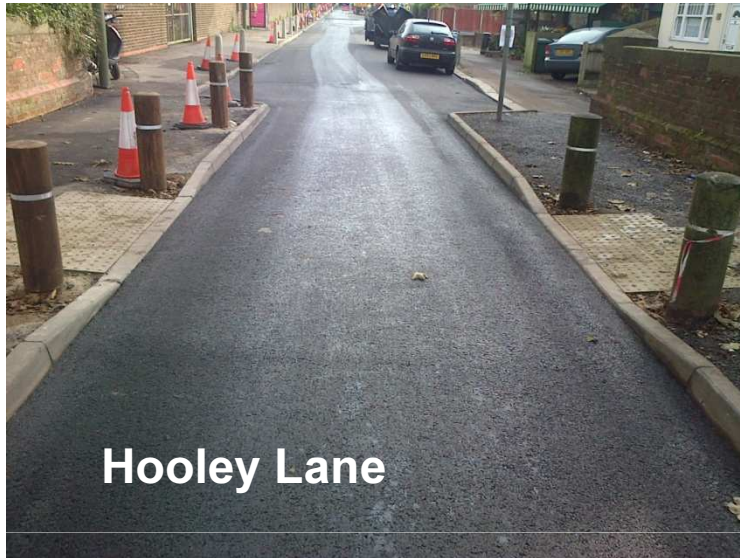
Programme Overview

Purpose of Project	Achieved to date
500km for £100m in 5 yrs	360km for approx £80m in 3 years, 413km projected by end of year 4
12-20% savings	12% savings on target
10 year guarantee	10 year guarantee on 95%
Improve RCI (road condition index)	Improvements shown (see following slides)
Improve infrastructure	Positive drainage and “combined” schemes

Additional Benefits of the Programme

- Positive drainage solutions – longstanding drainage issues
- Sustainability
- Innovation opportunities
- Holistic schemes
- Tar remediation – cost reduction from £160 to £60 per tonne

Programme Overview – additional benefits



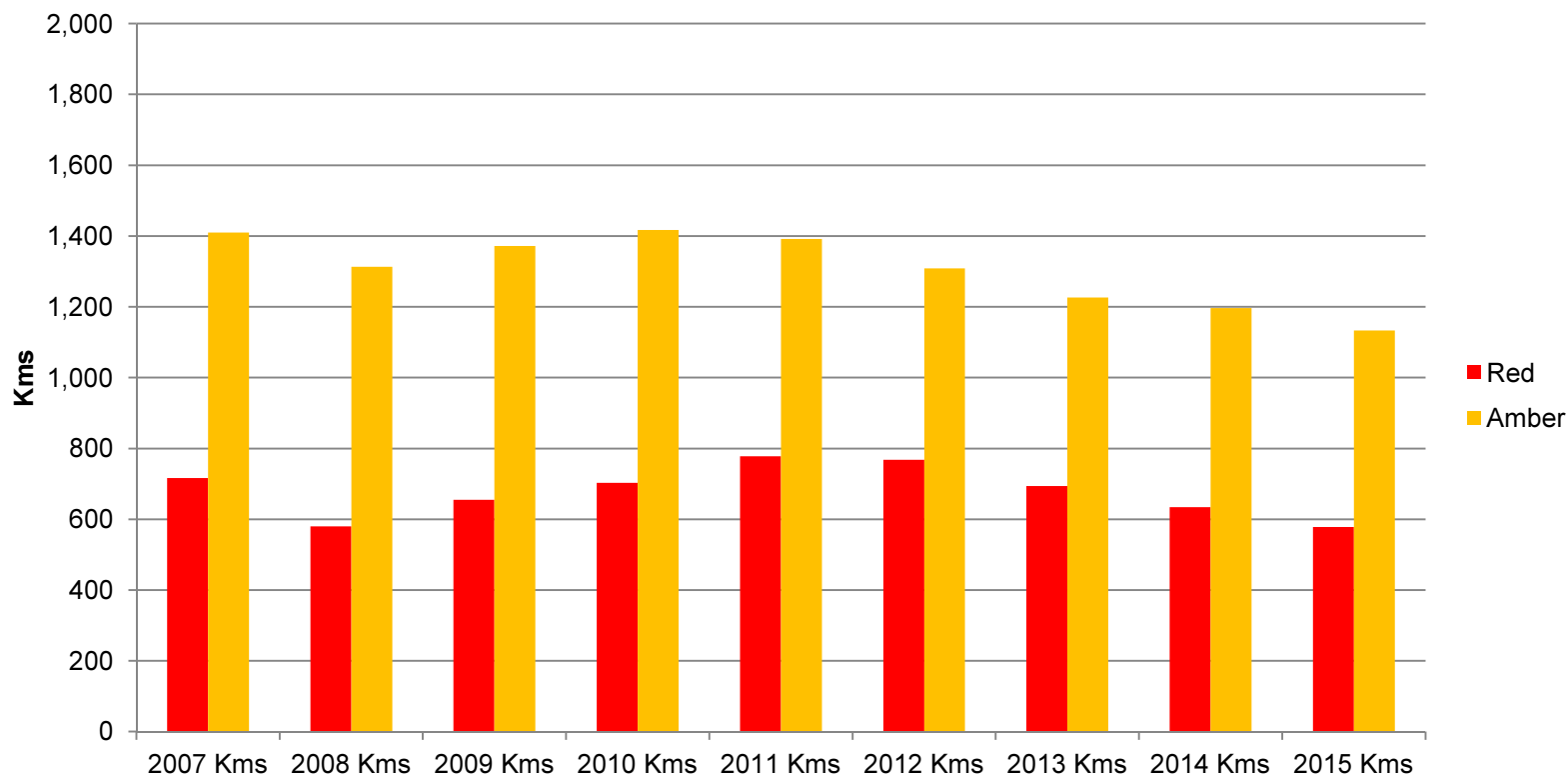
Programme Overview

District/Borough	D/B Length (km)	Length km Yrs 1-3	Length km Yrs 1-4	Total Length km Yr 5	TOTAL POTENTIAL FOR END OF YR 5
Elmbridge	401	28	38	1	39
Epsom & Ewell	212	17	22	4	24
Guildford	685	41	54	21	58
Mole Valley	534	43	55	6	59
Reigate & Banstead	491	43	55	13	58
Runnymede	280	7	13	20	13
Spelthorne	281	10	16	13	20
Surrey Heath	378	10	13	24	13
Tandridge	524	74	84	9	86
Waverley	750	28	43	14	46
Woking	306	18	21	9	25
	4,842	319	413	133	546

Key points:

- 8.5% (413km) expected to be treated by end of Year 4.
- 37km completed through surface treatment.
- 85km of major maintenance type works will still be remaining by the end of Year 4.

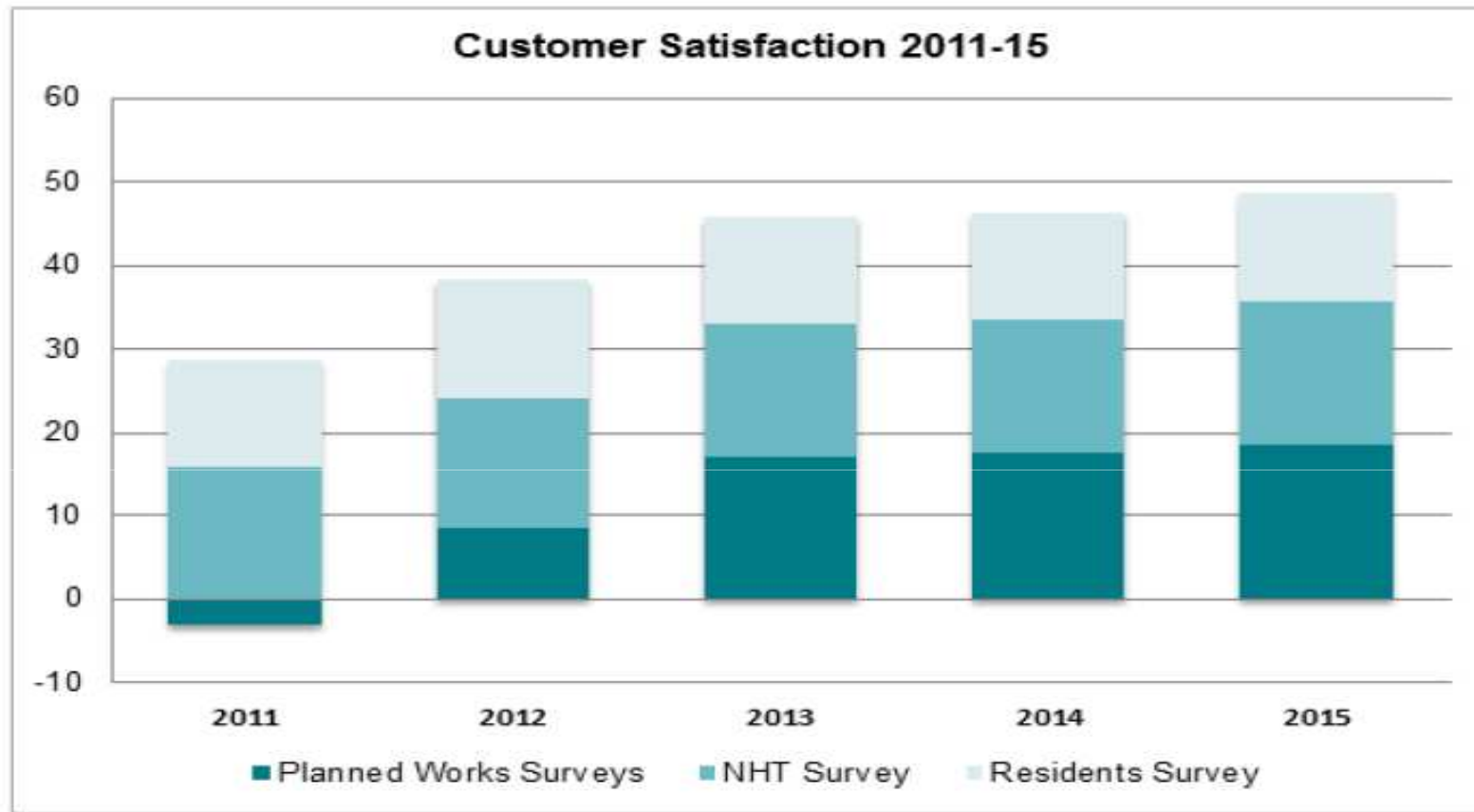
Programme Overview



Key points:

- “Red” decreased from 2013 to date.
- Overall reduction from 17% to 13%
- Backlog figure decreased from £260m to £200m since 2013
- One of the most significant improvements in road condition in recent years.

Customer Satisfaction



Significant increase in customer satisfaction for road condition

Programme Overview - Savings

Key Points:-

- £7m savings achieved so far for years 1 to 3 (12%)
- £3m further savings estimated for years 4 and 5
- Includes both Kier and Tarmac contract savings
- Engineers achieving minimum saving of 5% through Value Engineering

Year 4 Proposed Programme

Area	No of schemes	Length km	Cost Estimate £m
EE	7	4.6	1.16
Elm	7	1.9	0.6
Gfd	8	3.8	1.1
MV	9	3.9	1.15
RB	15	4.3	1.3
Run	1	1	0.3
Spel	5	1.2	0.35
SH	1	0.6	0.2
Tan	2	0.5	0.14
Wav	10	5.2	1.35
Wok	5	2.4	0.7
Works totals	70	29.4	8.35*

- All schemes assessed as High, Medium, Low
- Year 4 based on High & Medium (1-3 years' life)
- Based on £10m budget

LEP Match Funding

LEP A24 Contribution		£345,000
LEP A217 Contribution		£255,000
LEP A23 Contribution		£150,000
LEP A24 Epsom Plan E		£140,000
TOTAL LEP MATCH FUNDING		£890,000

Options?

- Future Bids for major projects to include for resurfacing, those roads could then be removed from Asset list

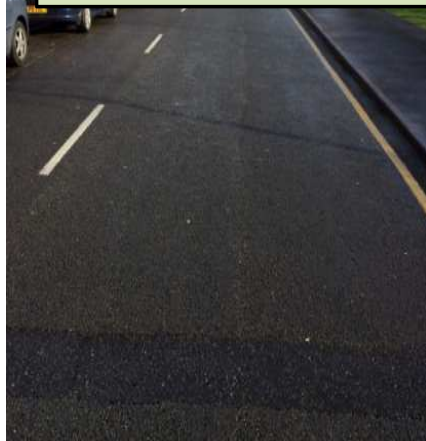
Reassessed Schemes & LEP Co-ordination

Outcome after 5 years:-

- 500km to be completed under Horizon
- 640km on original Horizon programme

Reassessment carried out:-

- 4 Guildford Town Centre schemes @ £3.3m to be bid for through EM3
- 4 Redhill Town Centre schemes @ £800k to be bid for through C2C
- 5 large scale schemes @ £3.4m to be bid for through LEP Resilience Projects
- The above alternative funding will enable SCC to further invest in residential roads
- 85km to be delivered using other treatments, supplying Value For Money solutions



Successes

- nearly **500km** (345,000 tonnes) of carriageway likely to be treated by the end of 2017/18 (Guildford to Land's End)
- **12% savings (£7m to date)** achieved & procurement efficiency
- **5% overall reduction** in the total number of Surrey's worst roads through change of strategy and major funding
- **Holistic** solutions – drainage, kerbing, co-ordinated schemes
- Significant increase in **customer satisfaction**
- **Tar remediation**, innovation and sustainable benefits
- **Collaborative** working/integrated team – flagship
- Provided Lessons Learnt for forward large programmes

Next Steps...

- Cabinet approval of budget for Year 4
- Detailed Year 4 programme to be issued to Committee Chairs (following cabinet decision)
- New Asset Management Strategy to be agreed May 2016
- Remaining Horizon schemes to be reviewed & prioritised in line with the new AM Strategy and delivered from Year 5.
- 5 year road programme (2017 – 2022) to be published as part of new Asset Strategy, including remaining horizon schemes

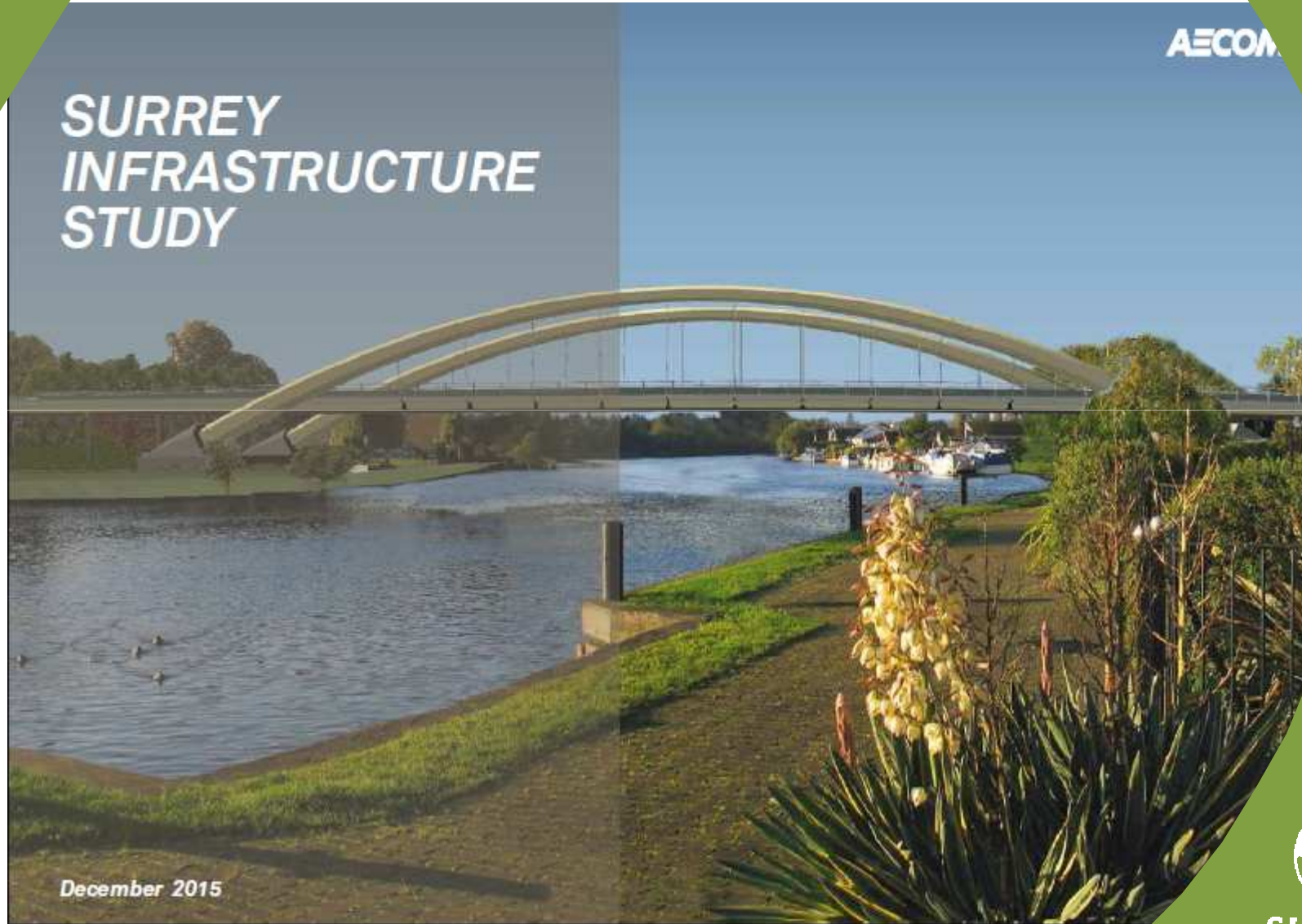
Surrey Infrastructure Study

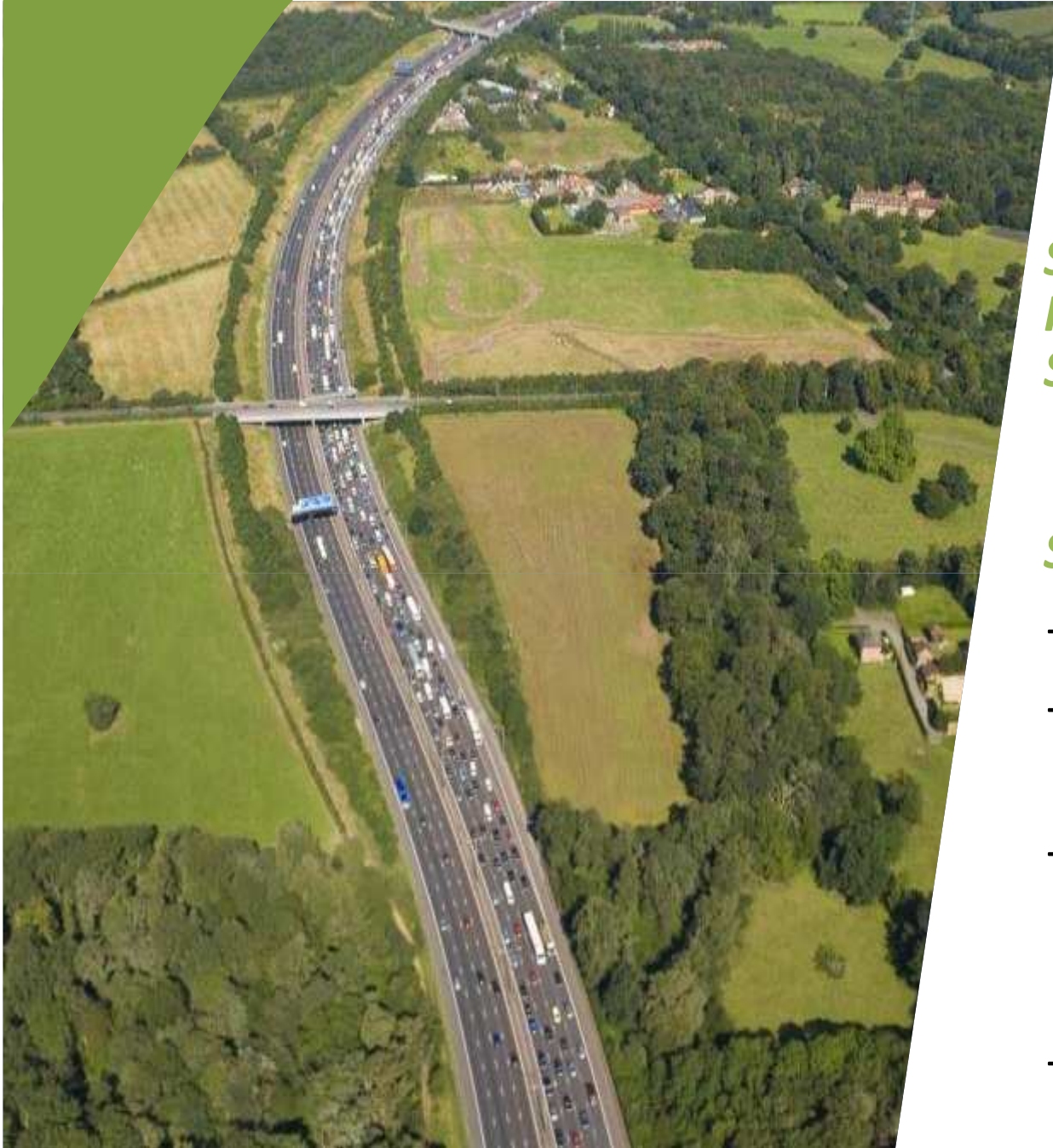
Economic Prosperity, Environment
and Highways Board

10 March 2016



Surrey Infrastructure Study





SURREY INFRASTRUCTURE STUDY

Study Overview

- Introduction
- Growth requirements
- Understanding infrastructure requirements
- Next steps

The Surrey Infrastructure Study has been developed to demonstrate to Government, infrastructure providers, local communities and business the challenges being faced across Surrey in funding the infrastructure required to support growth and enhance the lives of existing and future residents.



SURREY

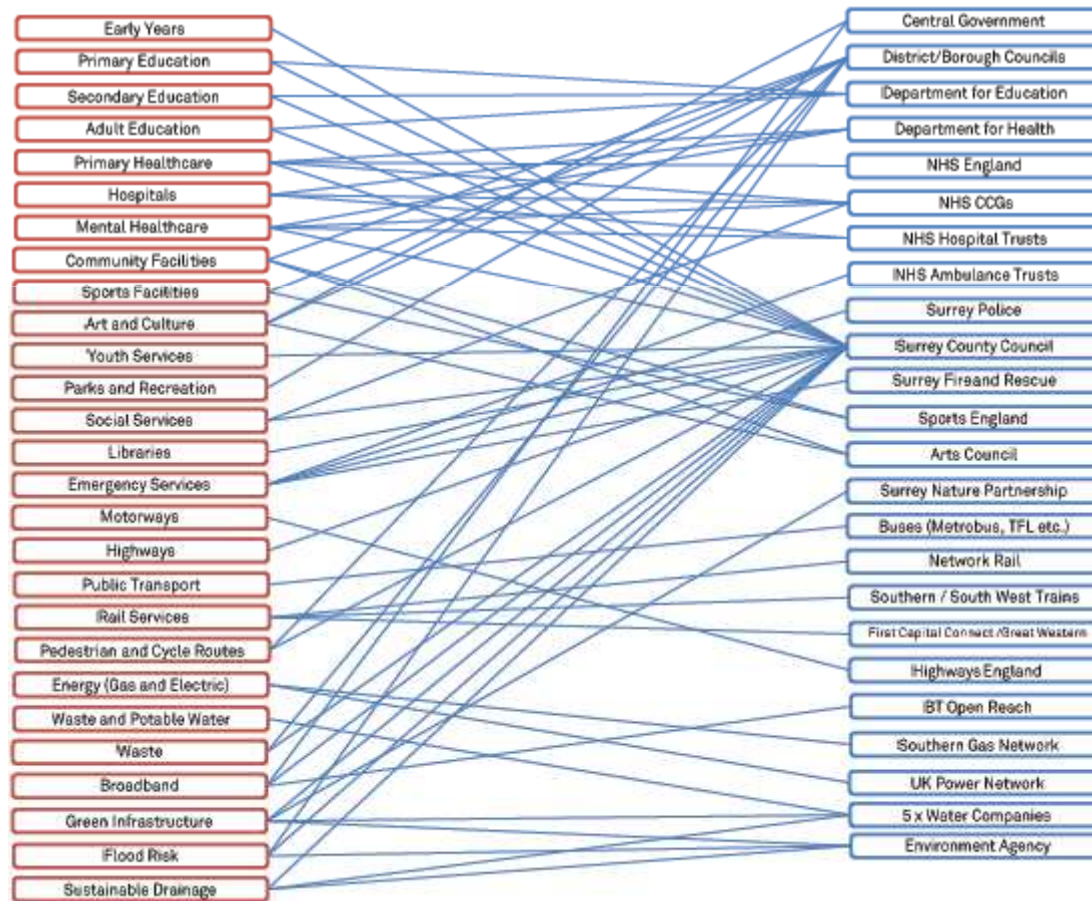
INFRASTRUCTURE CATEGORIES



SURREY

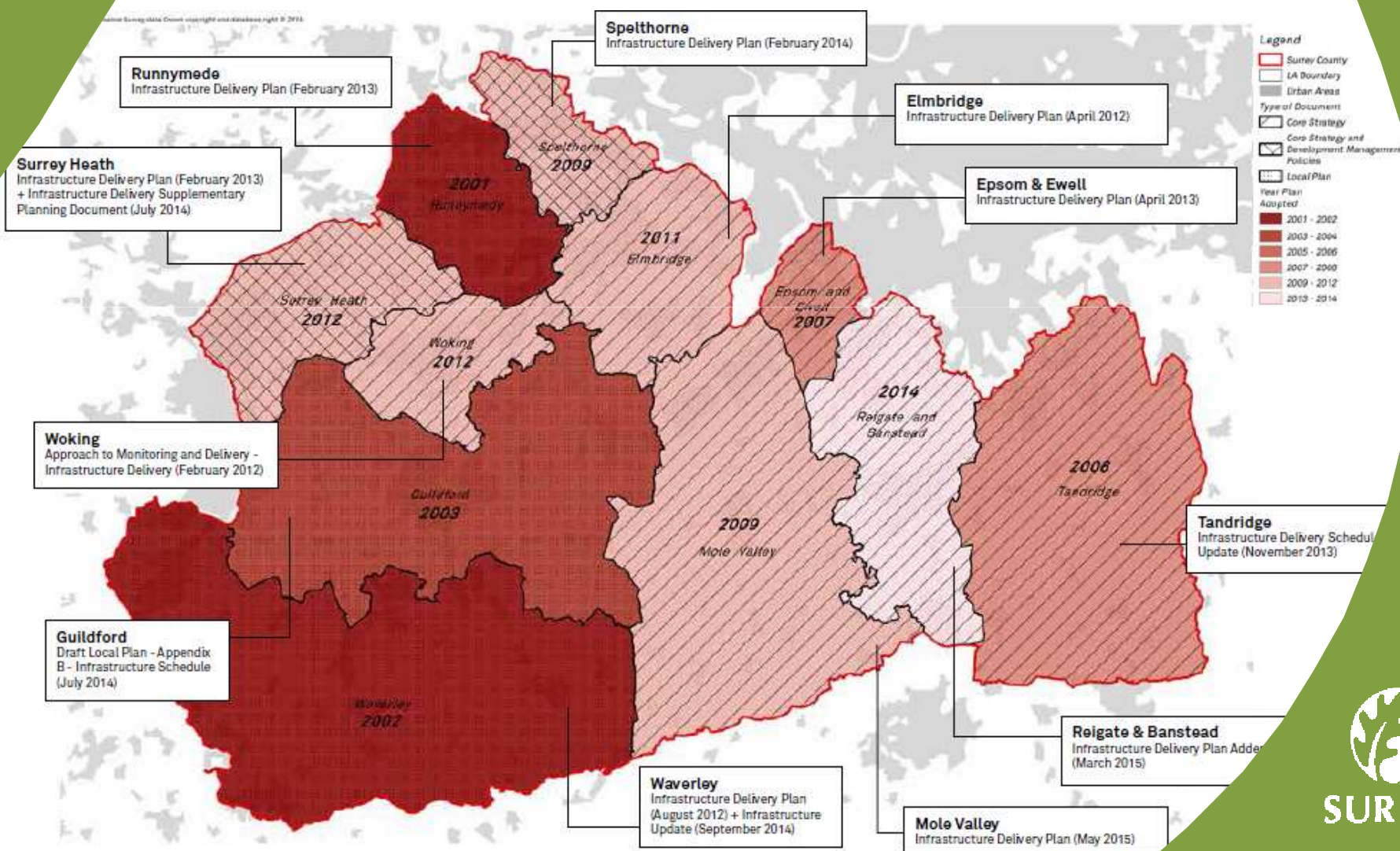
COMPLEX RELATIONSHIPS

Infrastructure requirements and providers



PLANNING CONTEXT

Local Plan and Infrastructure Delivery Plan status July 2015



SURREY

STUDY SCOPE

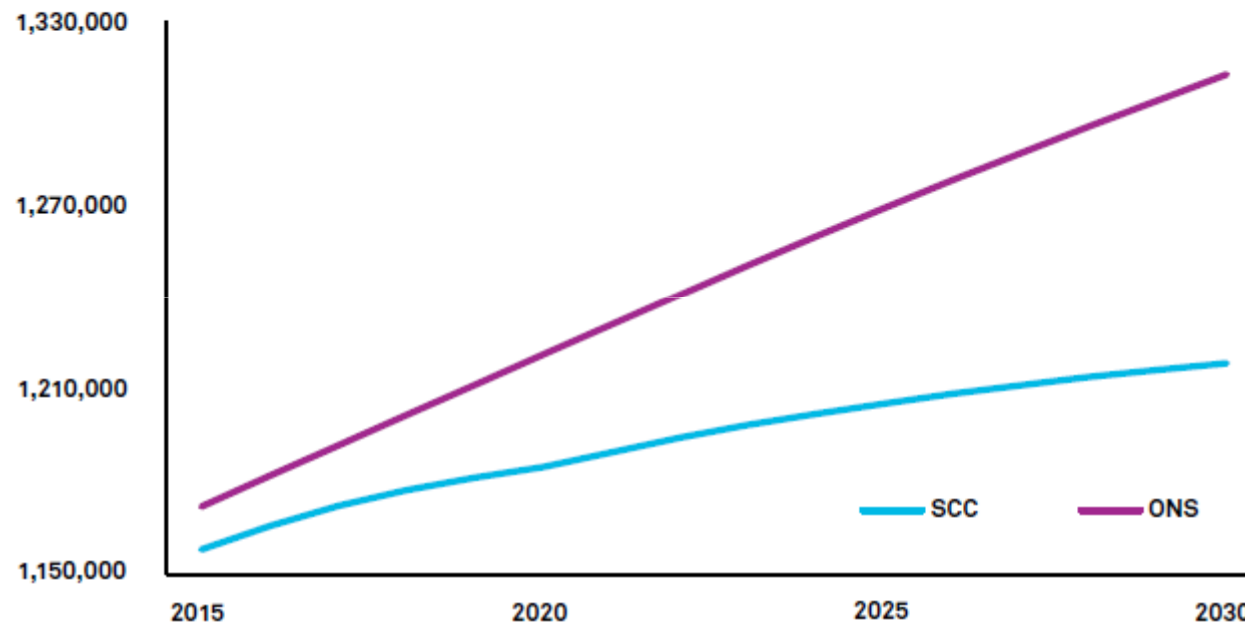
The report is a snapshot at July 2015 and presents :

- An examination of social and economic drivers and the potential distribution of planned development in Surrey
- An overview of the current situation across the county for a range of infrastructure provision covering transport, education, health and social care, green infrastructure, utilities and flood defences
- An analysis for each district and borough of planned development and proposed infrastructure investment
- Commentary on delivery and funding issues affecting growth and infrastructure across Surrey



SURREY

POPULATION PROJECTIONS



Source: SCC PopGroup Model Forecasts, ONS 2012 based Sub National Population Projections

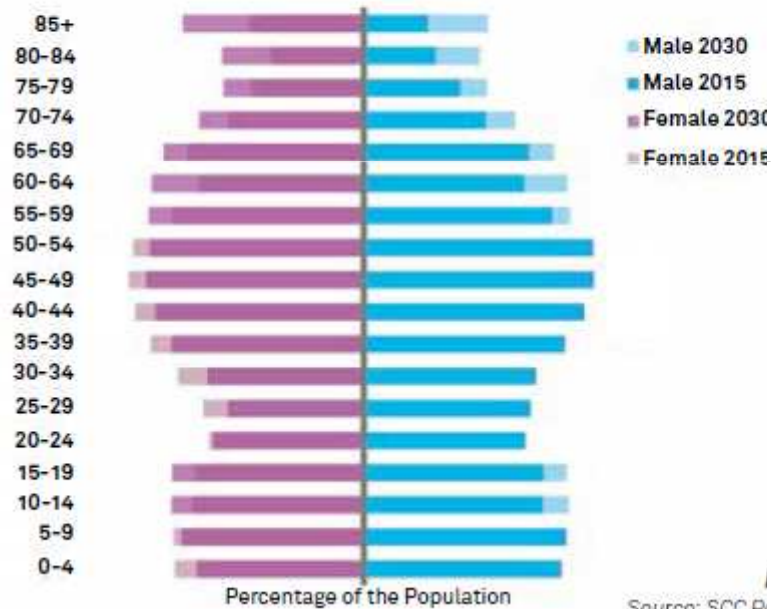
**Surrey will grow by at least 61,000 people
(5% increase) by 2030**



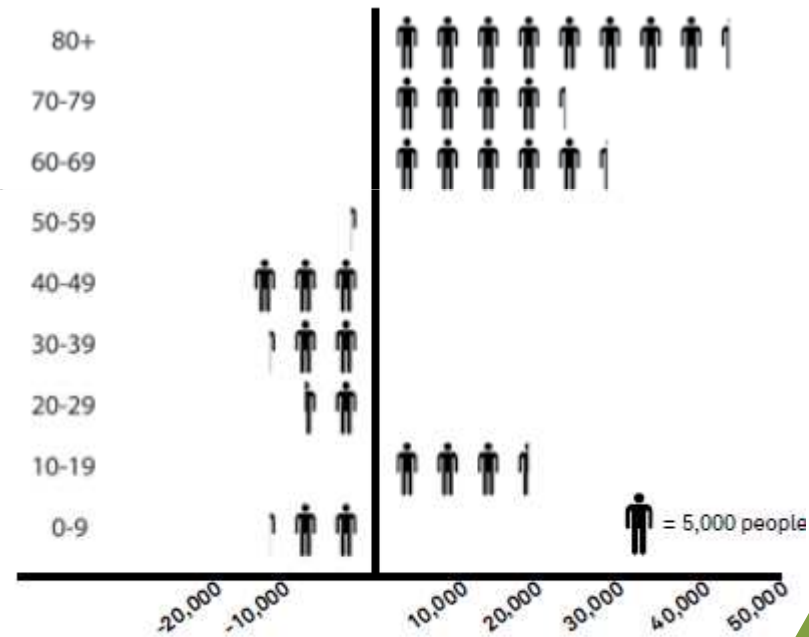
SURREY

KEY DEMOGRAPHIC CHANGES

Forecast Change in Age Profile 2011 - 2030



NEW PERSON BY AGE BRACKET



SURREY

EXISTING AND PLANNED HOUSING

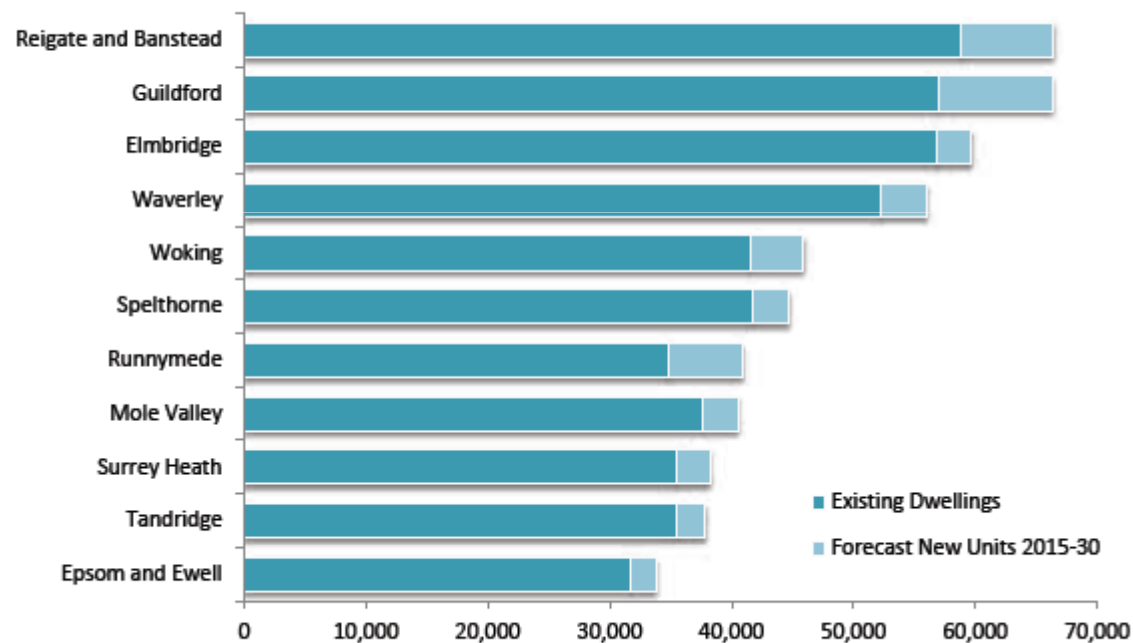


FIGURE 3.15 - EXISTING AND PROPOSED HOUSING

Source: ONS 2011, Local Authority data provided to Surrey County Council for Infrastructure Study



SURREY

KEY ECONOMIC CHANGES

Job growth forecast to 2030

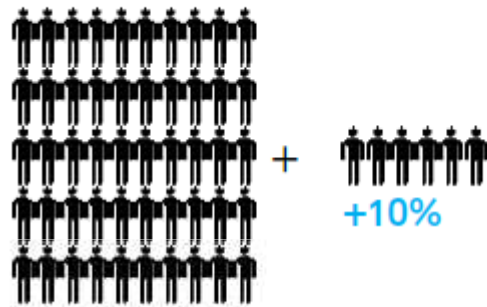
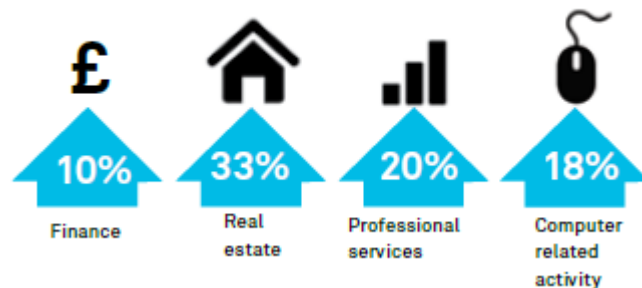


FIGURE 3.30 - JOB GROWTH FORECAST TO 2030

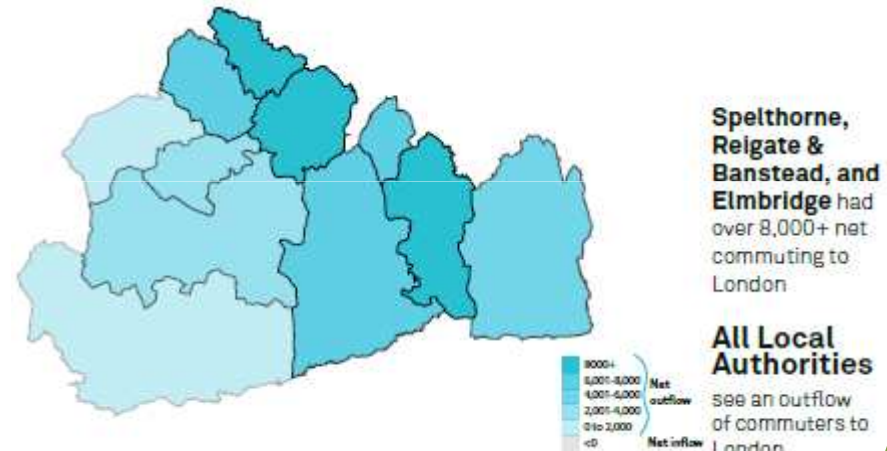
Source: Forecasts and future scenarios for the economy of Surrey: an update to the work done in 2010, 2013, SQW

59,000 new jobs in Surrey to 2030

Employment Growth in the following sub-sectors:



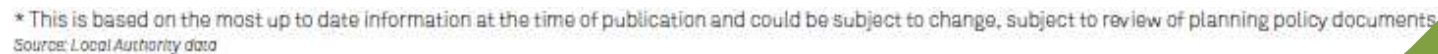
Surrey is a net exporter of labour and this is set to continue



Source: ONS



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APPROACH TO ASSESSING INFRASTRUCTURE REQUIREMENTS

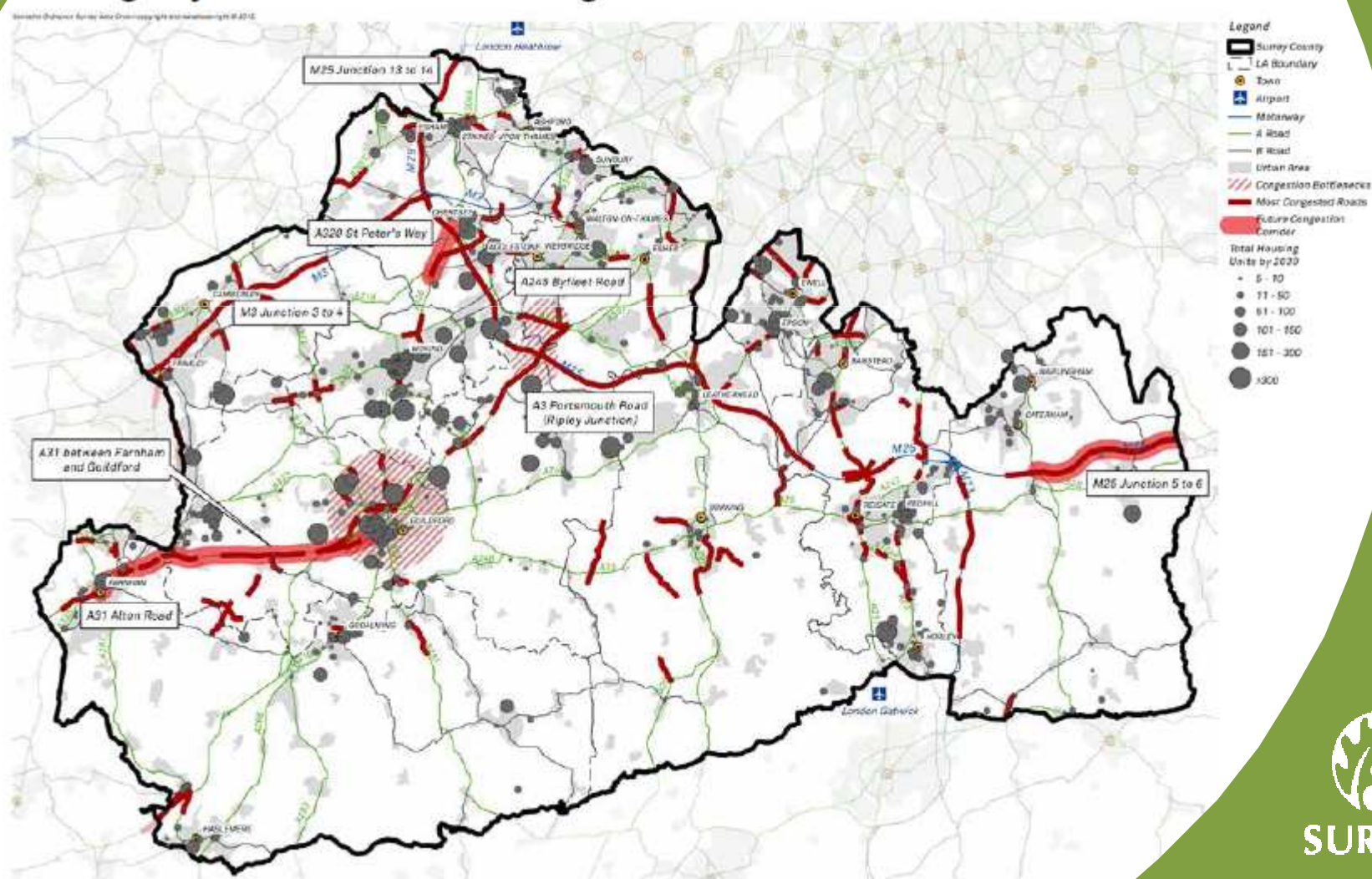
Stage 1

- Assessment of existing provision and capacity
- Mapping growth against existing capacity for each type of infrastructure



MAPPING GROWTH AGAINST EXISTING CAPACITY

Existing major road network and congestion



Source: Surrey Future Congestion Programme



SURREY

APPROACH TO ASSESSING INFRASTRUCTURE REQUIREMENTS

Stage 2

- Service provider and borough and district workshops
- Identification of projects to support growth
- Costing of projects (and benchmark standards to fill gaps)
- Review with service providers and boroughs and districts
- Assessment of potential funding sources



SURREY

FUNDING – ASSUMPTIONS

- Funding classified into two categories:
 - Secured
 - Expected
- Secured funding - that identified in source documents and discussions with infrastructure providers
- Expected funding – from Government, LEPs, utility companies, other private sector operators, developer contributions (S106 and CIL)
- Funding totals primarily based on sum of projects in database where secured or expected funding from one or more sources has been identified.



SURREY

SURREY – HEADLINES

SURREY

THE INFRASTRUCTURE
STUDY IDENTIFIES THE
FOLLOWING HEADLINES
FROM 2015 TO 2030:

47,053
new homes

60,991
new people

59,000
new jobs

Total Infrastructure Costs: **£5,368,480,000**

Total Secured Funding: **£933,760,000**

Total Expected Funding: **£1,231,890,000**

Total Funding Gap: **£3,202,830,000***

% of Infrastructure Funded: **40%**

* (considering both secured and expected funding)

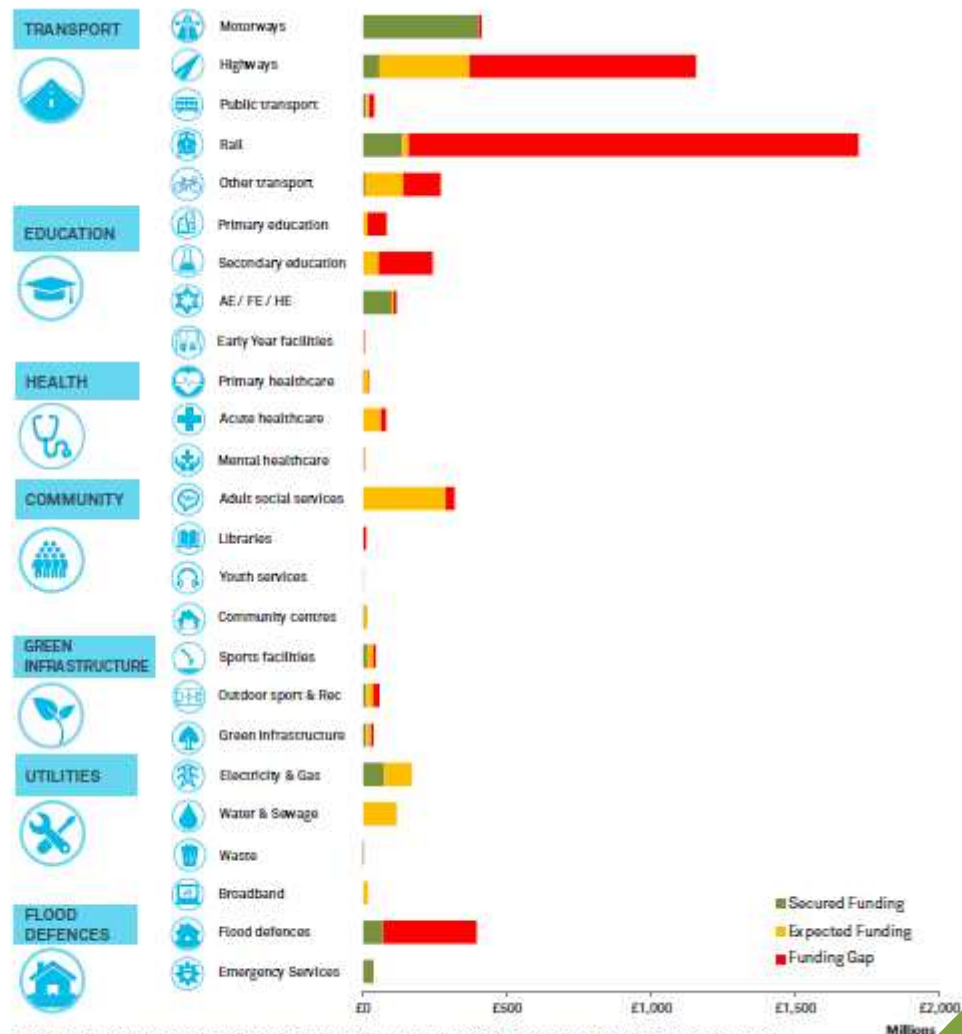


FIGURE B - SUMMARY OF INFRASTRUCTURE PROJECT COSTS AND FUNDING GAPS (2015-2030)



SURREY

ANALYSIS BY DISTRICT

5.1 ELMBRIDGE

2,861
new homes
(+5%)

1,018
new people
(+1%)

to 2030

INFRASTRUCTURE HIGHLIGHTS

- M25, junctions 1A to 16, and the A3 between Esher and Bordon traffic congestion
- Current trends indicate that the A3 from Ditton Hill to Guildford is likely to be more highly congested.
- South West Mainline capacity increases planned for peak AM times requires station platform lengthening.
- Need for Secondary school places.
- Brooklands College Weybridge Campus in need of refurbishment / replacement.
- Weylands Treatment Works in Hersham allocated as potential site for expansion of waste processing.
- Development site mitigation expected to be sufficient to limit changes to flood risk

Total Infrastructure Costs: £224,240,000

Total Secured Funding: £8,620,000

Total Expected Funding: £54,610,000

Total Funding Gap: £161,020,000

Funding as % of Costs: 28%

TRANSPORT



EDUCATION



HEALTH



COMMUNITY



GREEN INFRASTRUCTURE



UTILITIES



FLOOD DEFENCES



Motorways



Highways



Public transport



Rail



Other transport



Primary education



Secondary education



AE / FE / HE



Early Year facilities



Primary healthcare



Acute healthcare



Mental healthcare



Adult social services



Libraries



Youth services



Community centres



Sports facilities



Outdoor sport & Rec



Green Infrastructure



Electricity & Gas



Water & Sewage



Waste



Broadband



Flood defences



Emergency Services

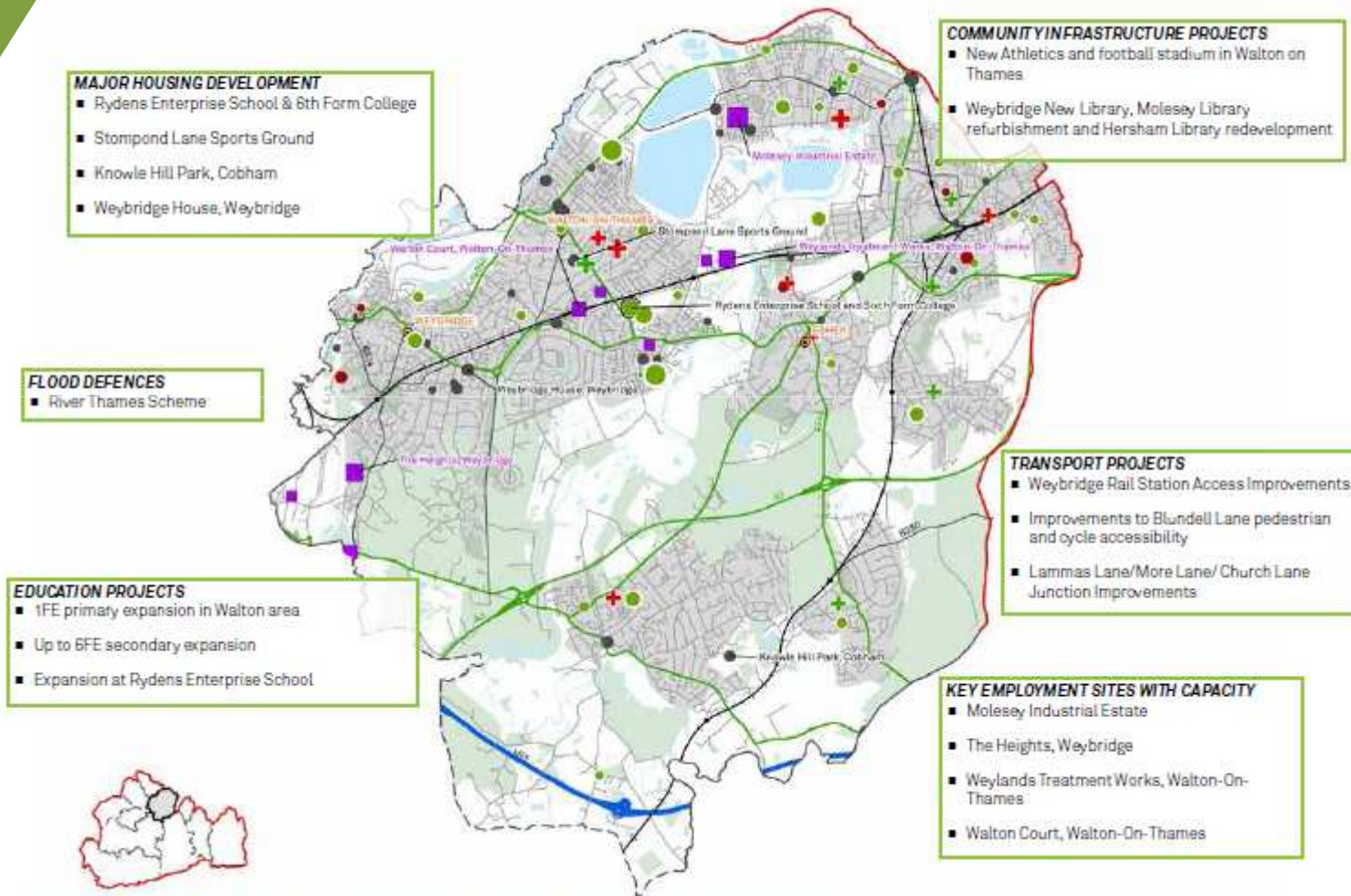
SUMMARY OF INFRASTRUCTURE PROJECT COSTS AND FUNDING GAPS (2015-2030)

■ Secured Funding
■ Expected Funding
■ Funding Gap



SURREY

ANALYSIS BY DISTRICT



SUMMARY OF GROWTH + INFRASTRUCTURE ISSUES IN ELMBRIDGE

Refer to Universal Legend at start of Chapter 5 to interpret Map icons.

Projects Note - Any Strategic Projects Listed in Table 6.3 and affecting this local authority are not included in local costs and funding on facing page.

Surrey Infrastructure Study



SURREY

NEXT STEPS

The Study will be used to demonstrate the challenges faced in accommodating and supporting growth and in particular to:

- Improve forward planning by relevant services and organisations
- Provide the basis for an understanding across Surrey of the distribution of growth and associated infrastructure
- Support bids for funding
- Contribute to analysis of wider strategic developments in London and the South East
- In the context of devolution, support the development of a 3SC Infrastructure Strategy



SURREY