

Notice of Meeting

Environment & Transport Select Committee



Date & time
Wednesday, 6
March 2013
at 10.00 am

Place
Ashcombe Suite,
County Hall, Kingston
upon Thames, Surrey
KT1 2DN

Contact
Tom Pooley or Victoria Lower
Room 122, County Hall
Tel 020 8541 9122 or 020
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Chief Executive
David McNulty

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This meeting will be held in public. If you would like to attend and you have any special requirements, please contact Tom Pooley or Victoria Lower on 020 8541 9122 or 020 8213 2733.

Members

Mr Steve Renshaw (Chairman), Mr Mark Brett-Warburton (Vice-Chairman), Mr Victor Agarwal, Mr Mike Bennison, Mr Stephen Cooksey, Will Forster, Mr Chris Frost, Mrs Pat Frost, Simon Gimson, Mr David Goodwin, Mr Geoff Marlow, Mr Chris Norman, Mr Tom Phelps-Penry, Mr Michael Sydney and Mr Alan Young

Ex Officio Members:

Mrs Lavinia Sealy (Chairman of the County Council) and Mr David Munro (Vice Chairman of the County Council)

TERMS OF REFERENCE

The Select Committee is responsible for the following areas:

Environment

- Strategic Planning
- Countryside
- Waste
- Economic Development & the Rural Economy
- Housing
- Minerals
- Flood Prevention

Transport

- Transport Service Infrastructure
- Aviation
- Highway Maintenance
- Community Transport
- Local Transport Plan
- Road Safety
- Concessionary Travel

PART 1 IN PUBLIC

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

2 MINUTES OF THE PREVIOUS MEETING: 10 JANUARY 2013 & 7 FEBRUARY 2013

(Pages 1
- 16)

To agree the minutes as a true record of the meeting.

3 DECLARATIONS OF INTEREST

To receive any declarations of disclosable pecuniary interests from Members in respect of any item to be considered at the meeting.

Notes:

- In line with the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012, declarations may relate to the interest of the member, or the member's spouse or civil partner, or a person with whom the member is living as husband or wife, or a person with whom the member is living as if they were civil partners and the member is aware they have the interest.
- Members need only disclose interests not currently listed on the Register of Disclosable Pecuniary Interests.
- Members must notify the Monitoring Officer of any interests disclosed at the meeting so they may be added to the Register.
- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest.

4 QUESTIONS AND PETITIONS

To receive any questions or petitions.

Notes:

1. The deadline for Member's questions is 12.00pm four working days before the meeting (28 February 2013).
2. The deadline for public questions is seven days before the meeting (27 February 2013).
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

5 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SELECT COMMITTEE

(Pages
17 - 18)

A response is included following recommendations made to Cabinet on 5 February 2013.

6 RECOMMENDATION TRACKER AND FORWARD WORK PROGRAMME

(Pages
19 - 26)

The Committee is asked to monitor progress on the implementation of recommendations from previous meetings, and to review its Forward Work Programme.

- 7 BRIEFING NOTES** (Pages 27 - 36)
- To consider updates on the follows items:
- Item 7a** – Highways Strategic Peer Review and Service Improvement Priorities 2013/2014.
- Item 7b** – Community Infrastructure Levy (CIL)
- 8 STREET LIGHTING PFI CONTRACT - PROGRESS REPORT** (Pages 37 - 42)
- Purpose of the report:** Scrutiny of Services
- This report provides an overview on the progress of the Surrey Lighting Services (a consortium of Skanska Infrastructure Services and John Laing Investments) contract after the first 3 years of operation both in terms of the day-to-day maintenance/fault identification and repair and the 5-year column replacement programme.
- 9 HIGHWAY TREE MAINTENANCE** (Pages 43 - 48)
- Purpose of the report:** Scrutiny of Services and Budgets
- To update the Select Committee on tree maintenance following the recommendations given at the November 2012 Environment & Transport Select Committee.
- 10 SURREY LOCAL FLOOD RISK MANAGEMENT STRATEGY & SUSTAINABLE DRAINAGE APPROVING BODY** (Pages 49 - 76)
- Purpose of the report:** Scrutiny of Services and Budgets/ Policy Development and Review
- To provide an update on the Lead Local Flood Authority (LLFA) regarding the local strategy and the Sustainable Drainage Approving Body (SAB).
- 11 DRAFT SURREY RAIL STRATEGY**
- Purpose of the report:** Policy Development and Review
- To receive a presentation on the key areas of consideration with regards to Surrey’s proposed Rail Strategy.
- 12 TASK GROUP REPORT: COUNTRYSIDE MANAGEMENT** (Pages 77 - 102)
- Purpose of the report:** Policy Development and Review
- The Select Committee is asked to endorse the recommendations of the Task Group, which seek to ensure that the management of Surrey’s countryside can be conducted in a financially sustainable manner.

David McNulty
Chief Executive

Published: Tuesday, 26 February 2013

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MINUTES of the meeting of the **ENVIRONMENT & TRANSPORT SELECT COMMITTEE** held at 10.00 am on 7 February 2013 at Ashcombe Suite, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Wednesday, 6 March 2013.

Elected Members:

- * Mr Steve Renshaw (Chairman)
- * Mr Mark Brett-Warburton (Vice-Chairman)
- * Mr Victor Agarwal
- * Mr Mike Bennison
- * Mr Stephen Cooksey
- * Will Forster
- * Mr Chris Frost
- * Mrs Pat Frost
- A Simon Gimson
- * Mr David Goodwin
- * Mr Geoff Marlow
- * Mr Chris Norman
- * Mr Tom Phelps-Penry
- A Mr Michael Sydney
- * Mr Alan Young

Ex officio Members:

Mrs Lavinia Sealy, Chairman of the County Council
Mr David Munro, Vice Chairman of the County Council

Substitute Members:

- * Mr David Harmer

In attendance

John Furey, Cabinet Member for Transport and Environment

85/13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

Apologies were received from Simon Gimson and Michael Sydney.

David Harmer acted as a substitute for Simon Gimson.

86/13 DECLARATIONS OF INTEREST [Item 2]

There were no declarations of interest.

87/13 QUESTIONS AND PETITIONS [Item 3]

Declarations of interest: None.

Witnesses:

Jason Russell, Assistant Director, Highways)

Mark Borland , Projects and Contracts Group Manager

Jim Harker, General Manager for Surrey, May Gurney

Key points raised during the discussion:

1. The following question was received from Mr. Renny Snell:

“Having considered the evidence of premature breakup of two examples of recent street resurfacing in Haslemere, can the Committee confirm that they are totally convinced the Highways Department is fully aware of this issue, has taken urgent steps to prevent its reoccurrence and will strenuously avoid the expenditure of any Council funds in effecting associated remedial work (in these or any other examples?)”.

2. The Chairman shared the following response:

““This year the County Council has undertaken an extensive programme of major maintenance (carriageway resurfacing). The vast majority of this has passed without incident and highway users are now benefitting from greatly improved road surfaces.

For a small number of schemes the end product is not to a satisfactory standard. Officers are aware of these problems and our main Contractor (May Gurney) and their sub-contractors accept this and are committed to establishing why it happened. A small task group consisting of County Council Officers, the County highway material laboratory and engineers from May Gurney has been established to investigate the failures and learn from them to minimise the likelihood of any future repetition. Initial findings indicate most problems are associated with schemes installed in late November / December 2012. The reasons are to be confirmed but it is likely to be substandard material and / or poor working practises. This group will advise the most appropriate remedial action.

All costs for any remedial work will be met by May Gurney or their sub-contractors, no costs will be borne by the County Council.”

Steve Renshaw

Chairman of the Environment & Transport Select Committee

3. The Committee discussed the question and raised concerns with the General Manager for Surrey, May Gurney that there was a discrepancy between performance data and the public perception of highways works being undertaken.
4. It was acknowledged by Officers that there had been problems with approximately 20 jobs under the Local Structural Repair (LSR) programme. It was clarified that these had been a result of sub-structure failures after the repairs had been made.

5. Officers outlined that the materials in question had been laid at the wrong temperature and that this had led to the sub-structure failures. This issue had been a localised one, and compounded by the fact that the repairs had been undertaken within a short period of time. A design flaw in the work scheme and a training issue had been identified and addressed. Each of these instances had been investigated by May Gurney, and the County Council had not been required to pay for the work. It was clarified that the work would be replaced by the end of the financial year.
6. The Committee recognised the significant improvements that had been made by May Gurney over the last 18 months or so and hence was concerned about the reputational impact to the Council and May Gurney, and commented that public perception was not governed by reported performance data. Further concern was also raised that the errors in this and similar works had occurred as a result of gangs 'rushing' jobs in order to hit numerical targets, whereas the real target was that of public perception.
7. The Officer from May Gurney apologised for the matter and commented that although the incidents were isolated, May Gurney were making efforts to learn from them.

Recommendations:

None.

Actions/further information to be provided:

None.

Committee Next Steps:

None.

88/13 SURREY HIGHWAYS - MAY GURNEY MID YEAR REPORT [Item 4]

Declarations of interest: None.

Witnesses:

Jason Russell, Assistant Director, Highways
Mark Borland , Projects and Contracts Group Manager
Jim Harker, General Manager for Surrey, May Gurney

John Furey, Cabinet Member for Environment & Transport

Key points raised during the discussion:

1. The Committee was presented with a report on the performance of May Gurney in the year to date. Officers outlined that the report focused on the performance of the reactive aspects of the May Gurney. A report on the performance for planned works would be provided for the Committee by July 2013.

2. The Committee was informed that there were identified issues within this performance issues with planned works, and an action plan was being developed. There would be a root cause analysis to identify which business processes and systems could be developed to address these performance issues.
3. Officers commented that an area of success for the prior six months had been May Gurney's response to emergency repairs. The Committee was informed that the majority of emergency defects were made safe within two hours of being reported. Officers highlighted that there had been 4547 emergency calls since April and December 2012.
4. It was acknowledged by Officers that there was a weakness in the follow-up of permanent repairs following an emergency. However, steps had been identified to address this and would be included in the Highways Improvement Plan submitted to Cabinet in February 2013.
5. The Committee was informed that severe weather such as flooding had led to an increase in demand. There had been issues identified in how May Gurney responded, and it was acknowledged that communication between Emergency Planning and May Gurney had been difficult. Officers commented that extra resources and processes were being put in place to address these issues.
6. Members raised a question as to the inconsistency encountered between different work schemes. Officers acknowledged this, and commented that they were working closely with Human Resources to identify where there may be particular training needs.
7. The Committee asked how often monitoring was conducted on the work schemes undertaken. Officers clarified that Highways met with the Surrey Audit team on a monthly basis and examined 5% of the visual inspections, 5% of the paperwork and 5% of photographic evidence undertaken during the previous month. Officers outlined that the performance measure was agreed based on this data. If this measure was amber then an action plan was put in place, and if it was red the issue was referred to the Assistant Director of Highways. It was clarified that these performance results were made publicly available.
8. The Committee commented on the delay between ordering and replacing standardized signs. Officers identified that there were issues with the processes in place and would follow up on these.
9. The Committee held a discussion as to its role in providing scrutiny and ensuring that that the Council was receiving the best value for money from the May Gurney contract. Officers highlighted that the financial risk sits primarily with May Gurney, and that they bore the cost of works being completed to an unsatisfactory standard.
10. The Committee commented that there were significant problems with how public perception was being managed, and that an unrealistic level of expectation had been set in the process of publicising the May Gurney contract. It was highlighted that the road-shows undertaken in 2012 had been inadequate in ensuring Member involvement and

contribution, and had gone further to raise this expectation. The view was expressed that there was seen to be a credibility gap between the statistical performance being reported and what residents encountered. It was acknowledged by officers that there was a need to close the credibility gap between expectation and performance.

11. Officers commented that two key areas of improvement in relation to the May Gurney contract, that there was better cost and quality control. It was also highlighted that £7 million savings had been achieved, with £3 million of those being invested back into the highways network. The Committee was informed that there had been a transfer of a significant amount of risk in securing the May Gurney contract, and that it was felt that the contract was one that was comparable with other local authorities.
12. The Committee raised a question as to the process for identifying and reporting Low Risk Defects (LRD). Officers confirmed that the statistics included in the report had been taken from the online reporting system. Members commented that residents had said that communication after reporting a LRD had been poor. Officers confirmed that there was a fault with the email system that informed residents too early in the process that repairs had been carried out.
13. It was recognised by officers that there were issues with communication. The Committee was told that LRD were not repaired when a work scheme was planned within the next 6 months; however, this was not always communicated to the person who had reported the LRD.
14. Officers commented that condition defects were not considered a priority when they did not pose a risk. This decision was made on the basis that it would not be cost-effective. It was recognised that there was a greater need to manage expectation with regards to the prioritisation of LRD.
15. Members reported encountering difficulties with the Members' Hotline. Officers informed the Committee that it had been identified that there were too many individuals involved in the current communications processes and there was work being undertaken to reduce the number of steps involved in this.
16. Officers expressed the view that the May Gurney contract was excellent with regards to its reactive elements, as well as the value for money it offered. However, it was identified that there needed to be work to address the volume of works outstanding, and that this could be better managed through developing a long term strategic plan. Officers informed the Committee that this had been one of the principal intentions of the forthcoming Cabinet paper.
17. Officers commented that some of the issues identified would require longer term analysis, but also highlighted that changes were already being proposed in some cases. The Committee acknowledged that there had been a number of significant developments in Highways & Infrastructure in the previous few years, and that the current contract with May Gurney was a significant improvement over the Council's

previous highways contract. However, it was stressed that finding the appropriate balance between cost-effective performance and improving public perceptions, through managing realistic levels of expectations would be crucial. Members thanked the officers for the openness of the discussion and recognition of the areas for improvement and were hence reassured that the service would only continue to improve.

Recommendations:

None.

Actions/further information to be provided:

Officers will share the quarterly RAG statuses for the May Gurney contract with the Chairman and Vice-Chairman.

Committee Next Steps:

None.

89/13 DATE OF NEXT MEETING [Item 5]

It was noted that the next meeting of the Committee would be at 10am on 6 March 2013.

Meeting ended at: 11.32 am

Chairman

MINUTES of the meeting of the **ENVIRONMENT & TRANSPORT SELECT COMMITTEE** held at 10.00 am on 10 January 2013 at Ashcombe Suite, County Hall, Kingston upon Thames, Surrey KT1 2DN.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 7 February 2013.

Elected Members:

- * Mr Steve Renshaw (Chairman)
- * Mr Mark Brett-Warburton (Vice-Chairman)
- * Mr Victor Agarwal
- * Mr Mike Bennison
- * Mr Stephen Cooksey
- * Will Forster
- * Mr Chris Frost
- * Mrs Pat Frost
- * Simon Gimson
- * Mr David Goodwin
- A Mr Geoff Marlow
- A Mr Chris Norman
- * Mr Tom Phelps-Penry
- * Mr Michael Sydney
- A Mr Alan Young

Ex officio Members:

Mrs Lavinia Sealy, Chairman of the County Council
Mr David Munro, Vice Chairman of the County Council

Substitute Members:

- * Dr Zully Grant-Duff (Reserve)
- * Mr Tim Hall (Reserve)

In attendance

John Furey, Cabinet Member for Transport and Environment

76/13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

1. The Chairman made the following announcement to the Committee:
“It is with great sadness I report that a former Member of the Select Committee, Frances King, passed away on 31 December, following a long illness.

On behalf of the Select Committee I would like to extend our sincere condolences and deepest sympathy to Frances’ friends and family during this difficult time. She made a valuable contribution to the work of the Council and will very much be missed.”

2. Apologies had been received from Geoff Marlow and Chris Norman. Tim Hall and Dr Zully Grant-Duff substituted respectively.

77/13 MINUTES OF THE PREVIOUS MEETINGS: 8 NOVEMBER 2012 & 10 DECEMBER 2012 [Item 2]

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

78/13 DECLARATIONS OF INTEREST [Item 3]

There were no declarations of interests.

79/13 QUESTIONS AND PETITIONS [Item 4]

There were no questions or petitions.

80/13 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SELECT COMMITTEE [Item 5]

Declarations of interest: None.

Key Points Raised During The Discussion:

1. One response was received following the call-in of 10 December to consider the Cabinet Member’s decision in relation to the speed limit on Stoke Road, Stoke D’Abernon, taken on 21 November 2012. This was noted by the Select Committee.

81/13 RECOMMENDATION TRACKER AND FORWARD WORK PROGRAMME [Item 6]

Declarations of interest: None.

Witnesses: None.

Key points raised during the discussion:

1. A question was raised about whether a greater number of environmental issues should be considered in the next year. The Committee was informed that it was necessary to find an appropriate balance in relation to the items within its remit and that its resources were being applied to scrutinise and develop on a strategic level. It

was highlighted that the Committee had addressed the water management strategy, recycling units, the cycling strategy, the Community Infrastructure Levy, Surrey Wildlife Trust and was currently awaiting the report of the Countryside Task Group. The Committee was advised that it would now be able to consider matters around waste management, now that planning permission had been given for the Eco Park.

2. Members requested that consideration be given to the Council developing a draft aviation strategy, given the geographic proximity of Gatwick and Heathrow to Surrey. The Cabinet Member informed the Committee that this strategy would be developed following the publication of the findings of the national public consultation currently being undertaken.
3. The Committee was asked to note the progress of its Task Groups. The Countryside Management Task Group would be presenting a report at the Committee meeting on 6 March 2013. The Community Infrastructure Levy (CIL) Task Group would present a verbal update on 6 March 2013. Following the development of the Highways Maintenance Five Year Programme there would be no further meetings of the Prioritisation of Highways and Highways Structures Maintenance Task Group. The Improving the Quality and Coordination of the work of Utilities Companies Task Group was presenting its findings to Committee as an agenda item at today's meeting. The Chairman of the Task Group stated that following further discussion with officers a decision would be made regarding how and when the Task Group would reconvene to follow up on its work.

Recommendations:

None

Actions/further information to be provided:

None.

Select Committee Next Steps:

None.

82/13 SURREY HIGHWAYS - NEW CARRIAGEWAY INVESTMENT PLAN [Item 7]

Declarations of interest: None.

Witnesses:

Jason Russell (Assistant Director, Highways)
Keith Scott (Planned Maintenance Team Manager)
Jim Harker (General Manager, May Gurney)

John Furey (Cabinet Member for Transport & Environment)

Key points raised during the discussion:

1. The Chairman of the Select Committee introduced the report and outlined that it was a progress update following the feedback provided by the Environment & Transport Select Committee on 8 November 2012. The report did not cover details of the budget settlement for Highways as these decisions would be taken at the meeting of Cabinet on 5 February 2013. It was proposed that following approval of the budget, the Select Committee hold an extraordinary meeting to consider an updated report.
2. The Assistant Director, Highways outlined the intentions behind the development of the Five Year Investment Plan. It was recognised that Surrey had to take action to address the poor condition of its highways network whilst also meeting its requirements to make greater efficiency savings. The Five Year Investment would set out new internal and contractual arrangements, and ensure that savings could be made without impacting on the work being undertaken to address the condition of the network.
3. The Committee was informed that the Five Year Investment Plan set out a range of changes that ensure that savings could be achieved. The majority of savings would come from the implementation of longer term planning. This would ensure better resource utilisation and allow May Gurney and Highways to co-ordinate their work in a more effective manner. It was emphasised that this would require a more “hands-off” approach from the County Council, as making late changes to the plan would reduce the savings benefits.
4. The Committee had a discussion around the implementation of longer term planning, and raised an issue that the definitions outlined by the Road Condition Index (RCi) might not align with public perception of the condition of a road. Officers confirmed that the RCi definitions were based on technical assessments from both machine and visual inspections, and were also based on evidence of structural failure. It was stated that the public road-shows undertaken in 2012 had been intended to address these issues. Officers stated that they were confident that the roads identified in the five year programme were appropriate and would also improve public perception.
5. Members expressed doubt over the assurances of officers and considered that the roadshows had raised unrealistic levels of expectation which would not be met. It was raised that the roadshows had not been discussed with Members prior to their launch. Members sought the assurances of officers that they would be better consulted prior to any similar initiatives taking place.
6. The Committee discussed the role of the Local Committees in relation to the roads identified by the five year works programme, and emphasised to officers that the programme would need to be set out with the full consultation and agreement of Local Committees. Officers outlined that it was important for any changes to the programme to be implemented in a timely fashion, as this would ensure that any savings benefits could still be achieved. The Committee was informed that one of the benefits of longer term planning was that it allowed for a greater

level of detail in the estimation of costs, and that this would benefit the District & Boroughs in making decisions around local prioritisation.

7. The Committee raised a question around the process of agreeing the implementation of the five year work programme. It was stated that the decision to implement the policy would be made by the Cabinet Member; however, the roads identified by members of the public included on the work programme would be taken to the relevant Local Committee for their approval.
8. The Assistant Director, Highways outlined that further savings would be made by improving material design, and improving the tools and techniques currently in use. This would be achieved in part through the use of "Superflex" for low speed residential roads.
9. The Committee asked what sort of contingency was in place if "Superflex" was found not to be appropriate. The General Manager, May Gurney informed the Committee that "Superflex" had been used by a number of London Boroughs and that it had proven highly effective when used appropriately. It had the benefit of a 10 year design warranty which would also reduce the need for regular maintenance repairs.
10. The Committee was informed that further savings were going to be achieved by improving site management productivity. A key change in site management would be the implementation of a "Vehicle Relocation" policy that would allow the removal of parked cars. Officers outlined that this relocation would come at no cost to the owner, and would greatly reduce the costs related to on-site delays caused by parked cars. The Committee was told that relocation would only be undertaken after a series of efforts to inform the owner of the vehicle. This included large warning signs, letter drops and leafleted windscreens. The Committee was informed that any liability for damages lay with the contractors, and there would be no financial risk to the County Council. It was suggested that officers might wish to show the impact this issue had on the cost of works as a way of highlighting it to members of the public.
11. Current legislation allowed for implementation of the "Vehicle Relocation" policy, and it would take effect immediately once approval had been given by the County Council. The Select Committee was supportive of this policy and expressed the view that it should be implemented when possible. It was suggested that the Council consider looking at ways to recover costs for vehicle relocation, though officers informed the Committee that legislation did not allow for this.
12. The Assistant Director, Highways outlined that a further saving would be made by an improvement in waste management. Surrey Highways would explore a number of options with regards to improving how it disposes of its hazardous waste in conjunction with South East 7. The Committee discussed the re-sale of planings and how this could effectively generate new income streams.
13. The Committee queried whether the development of Project Horizon reflected a change in policy away from more preventative work.

Members also commented that it was vital that Surrey Highways continued to think strategically about how different areas of work (local priorities, reactive work and the five year works programme) related to one another. Officers outlined that there was no change in policy and that surface dressing and treatment would be running alongside the five year works programme. The Committee was informed that the intention behind Project Horizon was to focus on addressing the biggest area of spend for Surrey Highways. If its implementation proved successful then long term plans would be developed for all areas of the work undertaken by Surrey Highways.

Recommendations:

None.

Actions/further information to be provided:

- The Committee will receive a progress update on the implementation of recommendations in 12 month's time.
- The Committee will hold further discussions with regards to Project Horizon and the May Gurney 6 month performance update at an extraordinary meeting following the budget settlement by Cabinet in February 2013.

83/13 RECOMMENDATIONS OF THE IMPROVING THE QUALITY AND COORDINATION OF THE WORK OF UTILITIES COMPANIES TASK GROUP [Item 8]

Declarations of interest: None.

Witnesses:

Pat Frost (Chairman of the Task Group)

Lucy Monie (Operations Group Manager)

Matthew Jezzard (Traffic and Street Works Manager)

Kevin Orledge (Street Works Manager)

Key points raised during the discussion:

1. The Chairman of the Improving the Quality and Coordination of the work of Utilities Companies Task Group introduced the report and its findings. It was emphasised that many of the difficulties around addressing the issues with utilities companies were related to legislation. The proposal to create a permit scheme, as outlined in Item 8a, had been a direct outcome of the Task Group's recommendations.
2. The Chairman of the Task Group praised the Scrutiny Officer, Tom Pooley, who had co-ordinated the Task Group's work and prepared the final report. The Committee was also asked to note the Task Group's thanks for the Surrey Highways officers that had worked with them.

3. The Select Committee fully endorsed the recommendations and actions proposed by the Task Group and welcomed its findings, expressing the view that they offered a number of viable options to improve the co-ordination of works on Surrey's Highways.
4. The Chairman of the Task Group suggested it would be important for the Select Committee to monitor implementation of the report's recommendations, and that the method and timescales for this would be determined following further discussions with officers.

Recommendations:

1. That a clear and accessible internal and external communications policy with regards to the publicising of street works be developed.
2. That the process for monitoring and reporting the quality of street works be made more cost effective and efficient for the County Council, and have greater incentive for utilities companies to complete their works on time and to a high standard.
3. That proposals to introduce a 'common' permitting scheme with East Sussex County Council, to co-ordinate all works on the Surrey County Council Highway, be endorsed.
4. That the processes around the planning, monitoring and execution of street works, particularly including areas with special conditions such as Conservation Areas, be made more effective and robust.

Actions/Further Information to be Provided:

None.

Select Committee Next Steps:

Pending discussions with officers, the Task Group will decide how to monitor implementation of its recommendations and will present its findings at a future meeting of the Select Committee.

(a) SURREY COUNTY COUNCIL PERMIT SCHEME [Item 8a]

Declarations of interest: None.

Witnesses:

Pat Frost (Chairman of the Task Group)

Lucy Monie (Operations Group Manager)

Matthew Jezzard (Traffic and Street Works Manager)

Kevin Orledge (Street Works Manager)

Key points raised during the discussion:

1. The Committee was presented with the proposal for the introduction of a Permit Scheme. Officers informed the Committee that the Task Group's work had been a useful exercise in identifying how Surrey Highways could ensure it was able to implement improvements within

current legislation. It was felt that the Permit Scheme would offer practical improvements in how street works were communicated with residents and how work was coordinated on a regional level.

2. The Committee raised a question as to why the proposal was for a new scheme when two were already in effect in London and Kent. Officers outlined that the Traffic Management Act 2004 (TMA) specified three different kinds of scheme: a common scheme, a joint scheme and an independent scheme. Kent operated under an independent scheme that prevented any other local authority from joining it, whilst the wording of the 'Common' London scheme prevented Surrey from joining this scheme. The Committee was informed that the common permit scheme under development for Surrey (with East Sussex) would give other South East local authorities the opportunity to join it at a later stage. It was suggested that this information be included in the final Cabinet report.
3. The Committee asked officers what further work could be done to provide greater accountability to utilities companies, and what efforts were in place to ensure they were financially incentivised. Officers stated that monitoring was being undertaken and improvement plans could be taken out against companies; however there was not considerable scope to alter the financial incentives in place as these were outlined in current legislation. Fines for over-running work could be pursued by the local authority, but there were no means by which to directly fine utility companies for poor quality reinstatements.
4. The Committee discussed the possibility of encouraging local groups to monitor the progress and quality of street works being undertaken by utilities companies. A question was raised as to whether a percentage of any fines accrued could be paid to the groups who had taken responsibility for monitoring works. This was noted by officers as an area for possible future development.
5. It was raised that the permit scheme would provide a greater level of detail about what kinds of works were being undertaken, and the Committee asked whether this would ensure that Surrey Highways would be able to ensure their post-works inspections were appropriate to the specific types of work.
6. The Committee was asked to note that a permit scheme would be applicable not only to private contractors, but to works undertaken on behalf of or by Surrey Highways as well. This would ensure that local residents would be able to receive notice of major works 3 months in advance of the work being undertaken. Members welcomed this and stated that they felt it was important that Surrey Highways applied the same standards to its own work in order to lead by example.
7. The Committee queried whether the predicted levels of saving were based on comparative savings made by London or Kent. Officers outlined that the savings had been based uniquely on the Surrey highways network; however the savings figures made by other permit schemes would be included in the final Cabinet paper.

8. The Committee raised a question about emergency works and the potential for these to be abused by utilities companies as a way of carrying out work outside the scope of the permit scheme. Officers stated that there was no evidence of such abuses, but Surrey Highways would continue to monitor emergency works in order to effectively challenge utilities companies if necessary. The Committee was asked to note that the conditions stipulated in the permit scheme would still be applicable to emergency works, even if it might be necessary to implement them after the works had begun.

Recommendation:

That the proposal to introduce a permit scheme for Surrey, subject to a successful consultation outcome and successful application to the Department for Transport is endorsed.

Actions/Further Information to be Provided:

Officers to include further detail of different types of permit schemes in the final report that will be submitted to Cabinet.

Select Committee Next Steps:

None.

84/13 DATE OF NEXT MEETING [Item 9]

The next meeting of the Select Committee will be held on 7 February 2013.

Meeting ended at: 11.50 am

Chairman

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CABINET RESPONSE TO ENVIRONMENT AND TRANSPORT SELECT COMMITTEE AND UTILITIES TASK GROUP

PROPOSAL FOR THE INTRODUCTION OF A PERMIT SCHEME UNDER THE TRAFFIC MANAGEMENT ACT 2004 AND TASK GROUP REPORT: IMPROVING THE CO-ORDINATION AND QUALITY OF WORK FROM THE UTILITIES COMPANIES

SELECT COMMITTEE RECOMMENDATION

That the recommendations of the Improving the Co-ordination and Quality of Work of Utilities Companies in Surrey Task Group and the proposal for the introduction of a Permit Scheme under the Traffic Management Act 2004 (agenda item 12) be endorsed.

TASK GROUP RECOMMENDATIONS

The recommendations of the Utilities Task Group are set out in Appendix 1 to agenda item 12.

RESPONSE

Firstly I would like to take this opportunity to thank the Members of the Utilities Task Group and the officers involved for their hard work in producing this detailed report.

I welcome the proposal for the introduction of a Permit Scheme, as recommended by the Task Group (**Recommendation 3**) and supported by the Environment and Transport Select Committee, and its approval is recommended to the Cabinet.

With regard to the other recommendations of the Task Group, my responses to each of the proposals are set out below.

Recommendation 1 – Development of a clear and accessible internal and external communications policy with regards to the publicising of street works

It is recognised that effective communication is an essential part of managing the impact of street works and so I welcome the range of proposals within this recommendation which will benefit all interested parties, both internal and external. Officers will develop an improved street works communications policy as recommended for introduction in April 2013.

Recommendation 2 – More cost effective and efficient processes for monitoring and reporting the quality of street works and greater incentive for utilities companies to complete their works on time and to a high standard

Quality of workmanship by utility companies can often be criticised and any monitoring needs to be effective. It is also recognised that there are limitations on the incentives for utilities companies to always adhere to the required quality standards. On this basis I welcome the recommendation for improvements in this area however it is acknowledged that the area of streetworks is heavily legislated and some of the proposals within the recommendation will be difficult to achieve. Officers will progress as recommended with immediate effect on the expectation that some of the proposals will remain as an exploratory exercise until proved that further work will be both achievable and beneficial to SCC.

Recommendation 4 – More effective and robust processes around the planning, monitoring and execution of street works, particularly including areas with special conditions such as Conservation Areas.

Proposals under the recommendation 4 to improve the planning, monitoring and execution of streetworks are also supported. This is of particular importance to Surrey given that a significant proportion of the roads in the County are designated as being in a conservation area and also the scale of the ongoing investment in our own road maintenance programmes, such as the proposed 5 year programme. Officers will develop an action plan for each of the proposals and implement accordingly over the next nine months to coincide with the preparation for the introduction of a permit scheme.

Mr John Furey
Cabinet Member for Transport and Environment
5 February 2013

Environment and Transport Select Committee Work Programme

6 March 2013

Date	Item	Purpose	Contact Officer	Additional Comments
06/03/13	Recommendations of the Countryside Management Task Group	This report will set out the recommendations of the Countryside Management Task Group, which was established in order to explore concerns surrounding the management of Surrey's Countryside Estate and its financial sustainability.	Thomas Pooley	Report
06/03/13	Surrey Flood Strategy	To consider Surrey's agreed Flood Strategy, following consultation with the Select Committee on 08/11/12.	Deborah Fox	Report
06/03/13	SKANSKA Street Lighting Contract	To consider a report outlining progress to date on the SKANSKA Street Lighting Contract, following its 3 year anniversary in February 2013.	Paul Wheadon	Report
06/03/13	Draft Surrey Rail Strategy	To receive a presentation on the key areas of consideration with regards to Surrey's proposed Rail Strategy. The final strategy will be submitted to the Committee in 2013.	Lee Mcquade	Presentation
06/03/13	Highway Tree Maintenance	To review progress to date following recommendations made by the Select Committee in 2012.	Lucy Monie	Report
06/03/13	Update - Highways	To update Members as to work underway following approval of the new strategy for highways maintenance, and in advance of the highways peer review.	Jason Russell	Report
06/03/13	Update – Community Infrastructure Levy	To update Members regarding progress towards the adoption of CIL in Surrey's Districts and Boroughs.	Mark Brett-Warburton	Update
06/03/13	Draft Budget – Environment & Infrastructure	To give Members the opportunity to provide comment and input to the draft Environment & Infrastructure budget.	Trevor Pugh	Private Briefing

To be scheduled:

- Surrey Rail Strategy
- Review of Concessionary Fares 2013/14
- Highways Peer Review

Environment and Transport Select Committee Work Programme

Task and Working Groups:

Group	Membership	Purpose	Reporting dates
Countryside Management Task Group	Simon Gimson (Chairman) Stephen Cooksey Denise Turner-Stewart Michael Sydney Mark Brett-Warburton	To develop a countryside management strategy that incorporates sound governance principles, is financially sustainable and promotes partnership working.	Select Committee: 6 March 2013. Cabinet: 26 March 2013. The Select Committee will monitor implementation of the Task Group's recommendations and will receive update reports in 2013.
Community Infrastructure Levy (CIL) Task Group	Mark Brett-Warburton (Chairman) Chris Norman Pat Frost	To consider the question: <i>"What does the County Council need to do to develop effective plans for the Community Infrastructure Levy in conjunction with its District and Borough partners?"</i>	An interim report was considered by the Committee on 31 May 2012. An update will be presented to the Select Committee on 6 March 2013.
Improving the Co-ordination and Quality of Work of Utilities Companies Task Group	Pat Frost (Chairman) Mike Bennison Stephen Cooksey Michael Sydney	To improve the standard of, and level of disruption caused by, utilities companies in Surrey. Specifically: i. To establish how the Council can work more effectively with utilities companies to better communicate and co-ordinate street works; ii. To improve the standard and quality of work of utilities companies.	Select Committee: 10 Jan 2013. Cabinet: 5 February 2013. All of the Task Group's recommendations were approved by Select Committee and Cabinet. The Select Committee will monitor implementation of recommendations and will receive update reports in 2013.

Environment & Transport Select Committee Actions and Recommendations Tracker - November 2012

1.	31/05/12	Water Management	That a policy be drafted on integrated water management, which sets out what Surrey County Council can and will do, in working with partners to address the challenges and risks facing Surrey in this regard.	Cabinet	<p>This was considered by the Cabinet at its meeting on 24 July 2012.</p> <p>A response from the Cabinet was submitted to the Committee at its meeting in September 2012.</p> <p>An item on the consultation response to SCC's draft flood strategy was considered by the Committee in November 2012.</p> <p>SCC's final flood strategy will be considered by the Committee at its meeting.</p>	Complete
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4.	15/09/12	Countryside Estate: Surrey Wildlife Trust's Asset Management Plan	<p>a) That the Select Committee approve the AMP and a response be sent to SWT once the Members Asset Panel has made its comments. This should also release the additional income as set out in the Cabinet Report of 30 March 2010.</p> <p>b) That SWT be required to set up the Sinking Fund by December 2011</p> <p>c) That the County Council and SWT work together to identify the assets that are a financial liability, or are no longer required to fulfill a public service role, or do not provide a return on capital, and ensure the potential to let out buildings is maximised, and that a three to five year income generation plan is created.</p> <p>d) Governance arrangements need to be put in place for the Sinking Fund to ensure that money is appropriately applied to the fund and that any issues are highlighted at an early stage.</p> <p>e) The AMP needs to be regularly reported to SCC with annual reports to the Partnership Committee, including a regular update on the proposed use of income from property to support management of the Estate supported by relevant performance indicators.</p> <p>f) That the size and constitution of the Partnership Committee be reviewed as noted in 37/11.</p>	Surrey Wildlife Trust	<p>Following the April 2012 meeting of the Select Committee a Task Group scoping document was submitted to the Council Overview & Scrutiny Committee in July 2012.</p> <p>The Task Group's work is currently underway and it will report its findings to the Committee at today's meeting</p>	Complete
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6.	19/09/12	Surrey Hills Trademark Licence Agreement	That the Select Committee scrutinises the effectiveness of the Trademark Licence Agreement at a future meeting.	Lisa Creaye-Griffin	A suitable date will be determined for this item once income from the Trademark Licence Agreement has been generated.	Ongoing
7.	08/11/12	Flood Management – Consultation Response	<p>a) That the Select Committee support the publication of the draft Surrey Flood Risk Management Strategy.</p> <p>b) That officers proactively develop a draft policy whereby Districts and Boroughs are required to receive advice from the County in its capacity as Lead Local Flood Authority regarding planning and developments in flood risk areas.</p>	Deborah Fox	SCC's final flood strategy will be considered by the Committee at today's meeting.	Complete
Page 23	08/11/12	Tree Maintenance	<p>(a) To more proactively engage on the potential for devolvement of tree maintenance, within contractual constraints, identifying opportunities to increase levels of interest across the Districts and Boroughs and/or other potential interested parties including Local Committees.</p> <p>(b) To identify longer term actions/plans to achieve potential devolvement including enhancing the existing survey on an area by area basis or by amending current maintenance regime where feasible.</p>	Lucy Monie	The Committee will consider a further update on Tree Maintenance at today's meeting.	Complete

9.	08/11/12	Review of the English National Concessionary Scheme	<p>a) To consider the 2013/14 scheme offer to Surrey residents and pass the views of the Select Committee to Cabinet at its meeting to be held on 27 November 2012.</p> <p>b) To review Surrey's offer for the 2014/15 ENCTS enhanced scheme provision including the criteria and documentation required for a Disabled Persons and Companion Pass, and time restrictions. A report will be presented to Cabinet during summer 2013.</p>	Paul Millin	The Committee will consider a report on the 2014/15 English National Concessionary Scheme in summer 2013.	Summer 2013
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10.	10/01/13	Recommendations of the Improving the Quality and Coordination of the Work of Utilities Companies Task Group	<ol style="list-style-type: none"> 1. That a clear and accessible internal and external communications policy with regards to the publicising of street works be developed. 2. That the process for monitoring and reporting the quality of street works be made more cost effective and efficient for the County Council, and have greater incentive for utilities companies to complete their works on time and to a high standard. 3. That proposals to introduce a 'common' permitting scheme with East Sussex County Council, to co-ordinate all works on the Surrey County Council Highway, be endorsed. 4. That the processes around the planning, monitoring and execution of street works, particularly including areas with special conditions such as Conservation Areas, be made more effective and robust. 	Cabinet	These recommendations were referred to Cabinet at its meeting on 5 February 2013. A Cabinet response is included in the agenda papers.	Complete
11.	10/01/13	Surrey County Council Permit Scheme	That the proposal to introduce a permit scheme for Surrey, subject to a successful consultation outcome and successful application to the Department for Transport is endorsed.	Cabinet	This recommendation was referred to Cabinet at its meeting on 5 February 2013. A Cabinet response is included in the agenda papers.	Complete

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Environment and Transport Select Committee

6 March 2013

Informal Briefing: Highways Strategic Peer Review and Service Improvement Priorities 2013/2014

Purpose of the report: This informal paper is intended to provide the Environment and Transport Select Committee with information on the following:

- A summary of the key issues and recommendations of the Strategic Peer Review
- An overview of the service improvement priorities for 2013/14

Strategic Peer Review

Background

1. The Strategic Peer Review has been developed by the Highways Maintenance Efficiency Programme, and is based on the Local Government Association (LGA) peer review methodology. The LGA were part of the team that developed the review, which also included 6 local authorities and a representative from the Contractors term maintenance association, the HTMA.

Surrey Peer Review

2. The focus of the Surrey peer review was the improvement proposals that have recently been presented to Select Committee, including the 5-year Capital programme, changes to the Surrey Priority Network, changes to reactive maintenance and inspections, and the planned introduction of the Permit Scheme. The peer review team comprised:
 - Mark Kemp, Assistant Director Oxfordshire County Council
 - Tom Blackburne-Maze, Assistant Director Cambridgeshire County Council
 - Mac McGuire, Deputy Leader Cambridgeshire County Council
 - Paul Clarke, LGA

3. The team were in Surrey from 14th November to 16th November 2012, and in those 3 days they spoke to approximately 30 people, including Highways staff, Members and Contractors, and reviewed evidence presented to them, including performance data and improvement plans. The review team presented their findings to the Chief Executive, Transport and Environment Cabinet Member, Strategic Director and Assistant Director on 16th November.
4. The review was followed by an action planning workshop with the Highways senior management team, senior representatives from May Gurney and two members of the peer review team. This action planning workshop was held on 11th February 2013.

Key Issues and Recommendations

5. The peer review team made a number of observations about the highways service in Surrey. These were:
 - There is a strong political steer, ambition and passion for highways
 - There is a commitment to becoming the most innovative and effective highway service in England
 - Our transformation programme is relevant to the challenges we face, is good practice and in many cases is innovative
 - The strength and shared vision of the partnership between Surrey and May Gurney
 - There is a clear direction of travel; a key focus of this is a shift from a short term, reactive to long term, planned approach.
 - Localism and collaboration are key features of future thinking, and both are seen as means by which to ensure services are delivered in the most effective way
6. The key recommendations made by the review team were:
 - Being clear about our vision, particularly the outcomes expected, and consider if the pace of change is quick enough
 - Improving communication at all levels
 - Considering where and when innovation is required and the risks and implications that this might bring
 - Consider the guidance given to Local Committees on financial implications of decisions
 - Accelerate our thinking on organisational capability

Next Steps

7. Key actions in response to the peer review recommendations were developed at the action planning workshop held on 11th February, and these will be developed into a detailed action plan. Full details of the peer review and the action plan will be reported to a future meeting of the Select Committee.

Service Improvement Priorities for 2013/2014

8. A key priority for the service, particularly in the first three months, will be the successful implementation of the initiatives recently presented to Select Committee. These are:

Implementation of the Permit Scheme

9. The introduction of a Permit Scheme has been approved by Cabinet, and the service is now preparing for its implementation, which is planned for December 2013. Significant work is required to ensure that adequate systems and processes are in place and that staff are trained. Changes will also be required to the way we manage our own works, as these will also require permitting.

Implementation of Operation Horizon

10. Operation Horizon (the five year Capital Programme) has been approved by Cabinet (following the agreement of the budget for this programme), and the service is now working with May Gurney to mobilise the programme ready to start in April 2013. Operation Horizon offers the opportunity for a reduction in cost of at least 16%, and this will be dependent on effective management of the programme. The programme will be closely monitored to ensure savings are being achieved.
11. Operation Horizon is one of a number of 'Trial Projects' currently being monitored by Cabinet Office and Treasury, and we will be working closely with the Trial Projects Support Group who will be providing independent assessment of the programme.
12. We are currently consulting with the Local Committees on the roads planned to be treated in their areas, with the aim of having the programme finalised by the end of March.

Implementing Changes to the Management of Safety Defects and Reactive Maintenance

13. Subject to approval by Cabinet, the service will make changes to the way reactive maintenance is undertaken, including the revised inspection frequencies and changes in response times. This will improve risk management and lead to improved quality of repair. Monitoring will be in place to ensure these benefits are realised.
14. Changes to the management of reactive repairs will be phased in over the first few months of 2013.
15. In parallel with the changes to reactive maintenance the service will also be implanting the changes to the SPN. If approved by Cabinet these will be phased in over 2013, to ensure the transition is managed effectively.

Localism Initiatives

16. The increased budgets for Local Committees have been agreed, and the service will continue to work closely with Local Committees to ensure the money is spent effectively.
17. A number of Parish Councils have submitted proposals for highway activities they would like to undertake in 2013. If the funding is approved by the Local Committee then the service will work with them and the Divisional Member to ensure these initiatives are implemented and managed effectively.
18. In addition, we will continue to work with colleagues in the Borough and District Councils to identify opportunities for them to deliver highway services and to improve collaborative working.

Improving Communication and Engagement

19. It is acknowledged that the service needs to improve its communication and engagement with Members and the public. This issue has been raised by Members through the Select Committee and the Local Committee Chairs.
20. The service will work closely with Members to ensure improvements are realised in this area.

Reviewing and Improving Performance of Tree Management and Gully Cleansing

21. Two key areas where performance needs to be improved is in tree management and gully emptying. Both these activities, and the contract arrangements used to deliver them, will be reviewed during 2013.

Laboratory

22. We are considering options for the future of the materials laboratory at Merrow. The intention is to increase the income generated by the laboratory, whilst also developing its capability to provide materials consultancy advice for Surrey and SE7 partners that will enable us to be more innovative.
23. Final proposals will be developed by May 2013.

SE7

24. Our work with the SE7 authorities will focus on the following three areas:
 - Analysis of cost/quality/customer satisfaction data – the 7 Councils all collect data on their expenditure, network condition and customer satisfaction. Comparing performance between the authorities will help us to identify areas for improvement and good practice that can be shared between the authorities.
 - Supply chain management group – we have formed a supply chain management group, comprising all 7 Council and 5 of our 1st Tier

Contractors. This group is currently looking at our use of recycled material, as the opportunity exists to significantly increase the amount of recycled material we use, potentially reducing our costs and providing an income stream.

- Staff development – the MSc in Highway Engineering now has 25 students, and we will continue to develop this course. We will also start to look at developing programmes at other levels, starting initially with a Level 3 qualification (Technician level)

Asset Management

25. The service will continue to develop its asset management strategy, particularly focussing on a move to an outcomes based approach. This will provide greater clarity for Members and the public about the level of service they can expect, and will help ensure investment is properly targeted across all assets.

Contact Officer: Jason Russell, Assistant Director, Highways

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Environment & Transport Select Committee 6 March 2013

Update on Community Infrastructure Levy (CIL)

1. There has been continued progress in the delivery of CIL by Surrey's Boroughs and Districts. The attached timeline illustrates the progress of Districts and Boroughs in implementing CIL.
2. As a front-runner in the implementation of CIL, Elmbridge Borough Council's charging schedule was found to be acceptable by the Planning Inspectorate following independent examination in November 2012 and is due to come into force on 1 April 2013. Elmbridge will charge the following rates:
 - £125 per m² for residential
 - £50 per m² for all retail
3. All other Districts and Boroughs are on track to adopt CIL charging schedules by April 2014.
4. County Council officers continue to work with Districts and Boroughs, providing evidence to enable the preparation of CIL charging schedules. This will ensure County Council priorities are recognized when local areas agree how CIL receipts should be used.
5. To support the process of identifying suitable infrastructure projects, Local Transport Strategies (local implementation programmes of Surrey's LTP3) are being developed with Districts and Boroughs. These will address existing issues and support future growth identified in the Local Plans.
6. The process for agreeing spending priorities is being discussed with Districts and Boroughs, to set shorter term delivery programmes based on each District and Borough's longer term infrastructure delivery plan. Although each District and Borough will agree their own process, the intention is to agree a universal framework underpinning the various approaches. The principles will ensure County Council Members can influence prioritisation of infrastructure schemes, and that Districts and Boroughs take into account cross-boundary issues and long term priorities for the County.
7. It has now been confirmed that 15% of CIL receipts (25% where there is a neighbourhood plan in place) will be given to local areas where development has taken place. Where there is no town or parish council or neighbourhood forum, the District or Borough Council will need to engage with the communities where development has taken place. The relevant proportion of CIL funding will be spent on agreed local priorities, which may include addressing transport issues. A local authority officer working group is currently reviewing the anticipated CIL

receipts across the County in the light of revised housing numbers and this announcement.

8. The work to prepare for CIL is closely related to other work areas including the major schemes programme and the Surrey Future partnership initiative. To ensure that any available funding is used strategically to meet agreed priorities the County Council needs to establish strong business cases for infrastructure schemes, backed by an evidence base, to inform our priorities and to bid for funding.
9. It is therefore suggested that the new Chairman of the Transport and Environment Select Committee forms a Task Group to consider the issues of wider economic generators for the county, encompassing residential and commercial construction and the allied infrastructure requirements needed to service them. This would provide an overarching baseline for the County's infrastructure needs which can be used to generate a list of suitable projects for CIL funding.
10. Once a baseline of projects is established and suitable levels of CIL funding becomes available, it is suggested that a Member Reference Group is established to monitor the progress of the schemes forming the infrastructure list and deliver a report to the Committee on a regular basis.

Mark Brett Warburton

Community Infrastructure Levy (CIL) Task Group Chairman

District & Boroughs Core Strategy & CIL timescales

www.surreycc.gov.uk



Making Surrey a better place

	Elmbridge	Epsom and Ewell	Guildford	Mole Valley	Reigate and Banstead	Runnymede	Spelthorne	Surrey Heath	Tandridge	Waverley	Woking
Adopted core strategy	July 2011	July 2007	Spring 2014	October 2009	Summer 2013	Spring 2014	February 2009	February 2012	October 2008	Autumn 2013	October 2012
CIL preliminary draft Charging Schedule	Nov 2011	Spring 2013	Winter 2013	April 2013	Sept 2012	Spring 2013	March 2013	Aug 2012	April 2013	Nov 2012	Feb 2013
CIL draft Charging Schedule	Apr 2012	Autumn 2013	Autumn 2013	Autumn 2013	Autumn 2013	Autumn 2013	Aug 2013	Spring 2013	July 2013	Spring 2013	April 2013
CIL Charging schedule adopted	Feb 2013	Spring 2014	Spring 2014	Spring 2014	Spring 2014	Spring 2014	Spring 2014	Winter 2013/14	Spring 2014	Spring 2014	Spring 2014
											08.02.2013

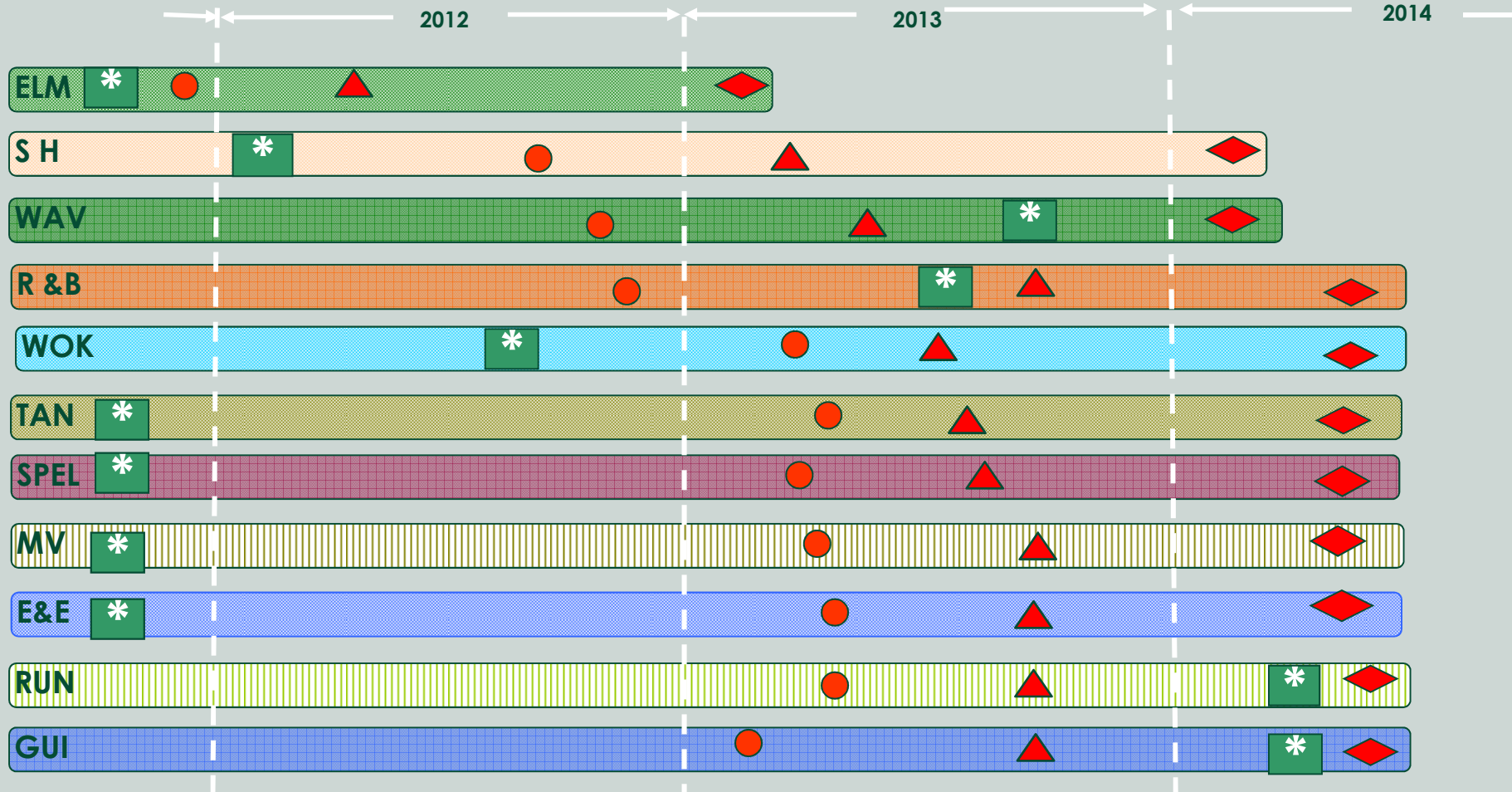
District & Borough Core Strategy & CIL Schedule

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Making Surrey a better place

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Core Strategy adopted



CIL Preliminary Draft



CIL Adoption



CIL Draft Charging Schedule



08.02.2013



Environment and Transport Select Committee
6 March 2013

Street Lighting PFI Contract – Progress Report

Purpose of the report: Scrutiny of Services

To provide an overview of the progress on the Council's Street Lighting PFI Contract.

Introduction:

On 2 March 2010, Surrey Lighting Services (a consortium of Skanska Infrastructure Services and John Laing Investments) took over responsibility for Surrey County Council's street lighting under a 25 year PFI contract.

Prior to the commencement of this contract, budget pressures resulted in some repairs not being undertaken particularly those requiring significant capital investment. There was also a common sight around the county of new columns installed alongside the old cut down or damaged column with the new one not being connected for many months if at all. When intervention was required from the appropriate Electricity Network Provider, communication was poor and disjointed and response times were often in excess of 6 weeks.

These resulted in a poor perception for Members, residents and road users across the County.

The report provides an overview on the progress of the contract after the first 3 years of operation both in terms of the day-to-day maintenance/fault identification and repair and the 5-year column replacement programme.

Key Successes:

Street Light Replacement 7 months ahead of Programme

1. The replacement of 70,000 columns and lanterns and, the replacement of lanterns on a further 19,000 units was expected to take 5 years. Despite a slower than expected 1st year, the replacement programme is currently 7 months ahead of programme with over 60,000 columns either replaced or refurbished.

2. Anecdotal evidence from other Local Authorities undertaking a replacement programme indicates that being ahead of programme is not the norm which adds to this achievement.
3. The original replacement programme expected to complete the vast majority of work in each District or Borough before moving on to the next. There were however several factors which prevented some roads from being completed in that order:
 - a) **Private Roads** – there are approximately 4000 lights maintained by the County on privately owned roads. A great deal of communication with the residents of these roads and due diligence has had to be undertaken to be able to ensure Skanska are not considered to be trespassing when carrying out work. This is now largely resolved and these Private Roads have been put back into the programme
 - b) **Conservation Areas** – although this was provided for in the Contract, there was a significant engagement project with the Conservation Officers from each District and Borough to ensure that proposed treatment of each road did not contravene any restrictions on development etc. Again this has now been mostly resolved and work has begun on replacements in Conservation Areas. The most complicated part of this element is Special Design equipment for 2 reasons:
 - i. The equipment is often bespoke and has to be specially ordered with a 13 week lead time which has the potential to increase when large orders are placed
 - ii. They are often located in Town Centres and so there are potential restrictions on when the work can be carried out.
 - c) **Design Roads** – the majority of lights are replaced in the same location as the existing light however approximately 25% of the roads require a design review. This often requires repositioning of columns which as well as being a more complicated piece of work generates an increased set of enquiries and complaints as columns are installed outside houses and shops they weren't previously.
4. Having resolved these, Skanska have a revised programme for replacements. Tandridge is now 97% complete and Waverley 95% and the table below shows the current estimates for completion within each District or Borough across the County:

District/Borough	Estimated Completion
Tandridge	Mar-13
Waverley	Jun-13
Reigate & Banstead	Jun-13
Spelthorne	Jun-13
Elmbridge	Sep-13
Surrey Heath	Sep-13
Epsom & Ewell	Dec-13
Mole Valley	Mar-14
Runnymede	Mar-14

Guildford	Mar-14
Woking	Mar-14

Conservation Areas and Heritage Lighting – Member and Public Funding

5. The original equipment specification provided 6 Heritage Design columns which would be installed within Conservation Areas where similar lights were already installed replacing on a like for like basis. There were however a number of Cast Iron and Swan-necked columns in Conservation Areas which did not meet these criteria.
6. To address this, an additional design was arrived at through a working group consisting of some Borough Council Conservation officers, SCC Officers, Skanska and their equipment partners.
7. The contract allows for residents, Members and other interested parties to contribute either to the installation of additional lights or to provide the funding for enhanced designs to be installed. A number of groups including Elmbridge Borough Council, residents and Town/Parish groups have taken the opportunity to request and fund one of seven designs. Whilst the volume of people taking this option up is welcomed, it was much greater than anticipated.
8. This has created an unexpected workload in preparing and agreeing the quote, raising invoices and processing payments and ordering stock. As a result, there were at times significant delays in individual cases. Communication with these groups has improved and work is now being implemented and being completed.

Day to Day Operation and Maintenance of the Lights

9. The performance standards require a minimum of 98% of all lights to be working in the month – the average for the past 12 months (Jan –Dec 12) is 98.84% in light and has not fallen below 98%.
10. On average each month, Skanska respond to:
 - a. Approximately 100 emergencies per month requiring a 2 hour response
 - b. Approximately 1500 faults requiring a 6 day response¹

Over 99% of these are completed within the prescribed time and the average time to complete a 6 day repair is 4 days
11. Faults are identified through the Central Monitoring System where fitted, night-time² and day-time scouting by Skanska and, by reports through the Surrey County Council website.
12. Officers undertake quality checks throughout the month looking at variety of factors such as the time to attend faults, site management and safety whilst working on the Highway, quality of workmanship both in terms of lighting and the reinstatement of footpaths etc where required, Customer Responses etc.

¹ An initial response is required within 6 working days (15 working days for High Speed roads) and the majority of faults are repaired first time or followed up within this time. In certain circumstances a new column will be required which allows a further 10 working days to be completed and finally upon completion of the column installation, a further 30 working days for the Designated Network operator to undertake the electrical connection

² Night-time scouting will be phased out once the CMS has been installed on all columns in each ward

13. A report is presented each month and the results of any audits are compared to the results presented to ensure failures are captured where relevant. If performance falls below the target level in any given month, financial deductions are applied in line with the contract specification.

Faults on the Electrical Network

14. An area of particular achievement is the management of work that requires the Designated Network Operator (DNO – UK Power Networks and Scottish and Southern Networks) to attend. OFGEM govern the response times which are 30 working days however there is no recompense to “customers” if these targets are not met.
15. All cases are individually followed up each week with each DNO to chase progress until they are closed – they are then checked by a Skanska operative to ensure the fault has been correctly repaired. As a result of this, the average time for repair of a DNO fault is 14 days.

Communication with Residents

16. The Street Lighting Section of the website has been reviewed and updated periodically based on the content of enquiries received to provide detailed information on common questions that arise – as well as providing residents and Members direct access to relevant information, it has also reduced the time Highways’ Officers spend responding to the same enquiries.
17. In addition to residents receiving notice of the replacement programme 4 weeks before work starts, a copy of the next 6 week’s programme is available via the website.
18. Faults can be reported and tracked via the Surrey County Council website which links directly to Skanska’s Work Ordering system providing “live” updates when requested.
19. As described above, when tracking previously reported faults, there may be occasion when the timescale for completion goes beyond the original 6 or 15 day timescale because the fault is on the electrical network or requires a new column.

Contact for Members

20. As described above, faults can be tracked on the Council’s website using the reference number provided at the time of reporting and subsequently sent by email.
21. If required, Members should make contact with Skanska either via the Contact Centre or by emailing their Customer Liaison Team (surreylightingservices@skanska.co.uk). As the service is managed directly by Skanska, they are best placed to provide the quickest and clearest answer to an enquiry and will normally respond within 5 days if not sooner.
22. In the event that a sufficient response is not received and a Member needs to escalate the matter, they can make contact with the Council’s Monitoring Team through pfistreetlights@surreycc.gov.uk. This route can also be used to investigate the possibility of additional lighting if the Member or a group of residents or other group wish to enquire about funding them.

Summary:

- 23. The first 3 years of this new contract have seen a significant improvement in the street lighting service delivered to residents with improved equipment, better response times and more effective management of the asset leading to fewer lights out of light and reducing the length of time lights are not working when they fail.
- 24. A combination of Skanska's management of the programme and the collaboration with SCC Officers, Officers from Districts and Boroughs and in many cases residents has led to the replacement programme being more than 6 months ahead.
- 25. Whilst it has taken time and considerable effort to overcome the challenges of the more complex and non-standard lighting schemes, these have now been resolved and a programme of work is expected to deliver full completion of the work by the middle of 2014.
- 26. The Council's Contract Monitoring Team have developed strong relationships and a series of robust processes enabling effective scrutiny of Surrey Lighting Services' performance. This has not only enabled us to audit activity and raise intelligent lines of question but is also creating an environment, which ensures the Contractors are aware they are being monitored.
- 27. The working relationship between Surrey Officers and staff within the contractors is strong with the Contract Monitoring Team based at Merrow alongside Skanska. Both Skanska and Surrey Lighting Services have commented on the positive effect the Contract Monitoring Team's contribution has had on delivering the contract.
- 28. Feedback from residents shows the new contract is being well received either due to the improvement in response times for faults or of the quality of the new lights being installed under the Investment Programme.

Recommendations:

The Select Committee is asked to consider the report and comment as required.

Report contact: Paul Wheadon, Commercial and Performance Team Manager

Contact details: 020 8541 9346, paul.wheadon@surreycc.gov.uk

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Environment & Transport Select Committee
6 March 2013

Tree Maintenance

Purpose of the report: Scrutiny of Services and Budgets

To update the Select Committee on tree maintenance following the recommendations given at the November 2012 Environment & Transport Select Committee.

Introduction:

- 1 Further information on risk management and devolvement of highway tree maintenance activities was provided at previous Environment & Transport Select Committees (ETSC) in 2012 and the following recommendations were agreed by Select Committee Members;
 - a) To more proactively engage on the potential for devolvement of tree maintenance, within contractual constraints, identifying opportunities to increase levels of interest across the Districts and Boroughs and/or other potential interested parties including Local Committees.
 - b) To identify longer term actions/plans to achieve potential devolvement including enhancing the existing survey on an area by area basis or by amending the current maintenance regime where feasible.

It was also agreed that the backlog of work would be considered by the ETSC in March 2013.

Current Condition and Backlog of work

- 2 The management of risk from highway trees is a statutory requirement and therefore remains the priority function/purpose of tree maintenance, as was discussed at the last ETSC. It is estimated that Surrey has a highway tree stock of around 2million trees and the number of high risk defects on the network is reducing through current maintenance regimes.

- 3 Based on the nature of the changing environment the current risk management maintenance activity will need to continue for the foreseeable future. The risk management operation seeks to address high risk defects identified from the previous year's survey on the SPN 1 & 2 network and aims to resolve approximately 1200-1400 high risk defects per annum. This will continue to only address the high risk defects with the lower risk defects remaining on the network until such a time that the high risk defects are reduced adequately to allow resources to be prioritised elsewhere. Essentially there will always be a rolling backlog of defects, similar to that of potholes or other highway defects. It would not be considered practical or feasible to reduce the number of defects to zero. The ongoing statutory requirement remains that these are adequately managed to minimise the risk from highway trees.
- 3 In addition to the risk management work, tree maintenance is also carried out in response to the survey on the SPN3 network and requests from the local area teams. Over the financial year 2012/13 we anticipated to have completed nearly 600 jobs, ranging from removal of a single limb, to pruning 50 trees and felling 45 trees. Although it can vary widely, on average, each job will resolve two defects.
- 4 Although 600 jobs are forecast to be completed in 12/13 a backlog of 500 jobs will remain based on the year to date position. Of the 500 backlog, approximately half relate to the dead dying and diseased category or are causing actionable nuisance and the remaining half relate to more general maintenance requirements such as pruning, crown lifting and crown reduction. Following review of the productivity and resource availability of the contractor undertaking this work the backlog of requests appears to relate to demand exceeding capacity under the current arrangement.

Addressing the backlog

- 5 It is important to note that there is a legacy of defects and lack of maintenance on highway trees, similar to that on roads, which has continued to exist for many years. As described previously, it would not be considered practical to eradicate all tree defects entirely and so a backlog will always exist. It is however recognised that we need to understand what the backlog is across the whole of the network and determine what is considered acceptable in terms of an annual programme to manage the overall risk.
- 6 Additional resource has been introduced onto the highways contract to more effectively deal with the 500 no. job backlog in amongst the ongoing demand. As discussed at the last ETSC, we are currently prioritising the local office requests on the basis of managing the greatest risk. This means we are currently only dealing with trees that are of the dead dying and diseased category and restricting general maintenance requests. It is recognised that this is limiting service levels but it is considered essential as a temporary situation to ensure we are managing the risk from trees, as required by our statutory duty.

- 7 With the additional resource the intention is to have cleared the current backlog, amongst the ongoing SPN3 high risk defects and the area teams requests within six months.
- 8 The new survey on the SPN 3 network is enabling us to carry out a more proactive approach to managing tree related defects on an increased proportion of the highway network. In the short term this will address the high risk defects, similar to the approach on the SPN 1 & 2 network, but in the future it will target more general maintenance activities in a more proactive and efficient way. This survey should thereby see a reduction in the number of ad hoc requests the area teams need to make as the maintenance will be proactively programmed in response to the survey. This approach will ensure more efficient use of the available resource and assist in determining what would be considered an acceptable backlog of defects.

Devolvement of Tree Maintenance

Engagement

- 9 Devolvement of tree maintenance continues to be discussed with District and Borough officers as part of the regular Streetscene meetings. To date their position remains the same however we are now proactively sharing insurance data information and engaging in more detail about our current survey data and the experience of Woking and Epsom & Ewell. The aim being to address previously raised concerns and identify with more certainty at what stage, if ever, they would be interested in taking on tree maintenance. Depending on the feedback as this progresses the next step would be to put together a funding offer.

Opportunity

- 10 Within the current Highways Tree Maintenance Contract there is the opportunity to engage more resource to increase the amount of works being carried out. This is not the only option available however to enable more general maintenance works to be completed by local teams or local committees. Within the current Highways Horticulture, Ditching and Countryside Works Contract there is the option to engage tree maintenance contractors in a similar approach to that taken with locally funded vegetation gangs. This option is being used to a limited extent at the moment and could be considered by the local area teams or by the Local Committees should they wish to accelerate specific tree maintenance works outside of the main tree maintenance contract.
- 11 Similarly for scheme specific work we could also enable the local area team or local committee to use contractors engaged by the Districts and Boroughs, assuming they are competent to undertake tree works on the highway. This would be achievable by using local knowledge and funding to identify discrete packages of tree maintenance work that would complement current contractual and risk management arrangements.

- 12 Parishes, Town Councils and Residents Associations can also take on responsibility for some minor tree maintenance works via the localism opportunity. This could include for activities such as planting for example.
- 13 The above options are currently already being progressed across the county in varying degrees. The option for members to invest further in general tree maintenance is available via the Local Committee Highway budget. An increased use of Local Committee funding on tree maintenance will enable greater use of these opportunities and assist in improving the general condition of highway trees. The added benefit of this approach is obviously that improvements will be based on local knowledge and address local priorities.

Longer Term Plans

- 14 The introduction of the SPN3 survey, in addition to the survey on the SPN 1 & 2 will give us a complete picture of the condition of highway trees across the entire network. This will address some of the perceived 'black holes' in condition information and assist in future discussions about any devolvement.
- 15 This increase in survey data will also allow us to identify proactive maintenance regimes more efficiently and when resources allow, this will enable an increase in more general maintenance activities across the network. In the same theme that carrying out planned resurfacing works on roads reduces risk of potholes and the likelihood of having to repair reactively, increasing planned general maintenance on trees should reduce the need for having to intervene on a risk management basis. This will not be achieved quickly without accelerated investment but will be a gradual process. None the less this approach should also help to address some concerns about the general maintenance requirements of the current highway tree stock.
- 16 The developing survey data will also assist in being able to package tree maintenance work prior to any devolvement. This will enable activities to be separated out should Districts and Boroughs want to take on the maintenance of trees in a more staged approach, for example starting by maintenance activity rather than maintenance of the whole area.
- 17 The timeline for further devolvement will need to align with the current highways tree maintenance contract term. The current contract is due to end in 2017 with an option to renew for a further four years. This means that we will start to consider the future contract maintenance arrangements from 2015, providing sufficient time to establish the terms of future devolvement.

Conclusions:

- 18 Current maintenance regimes are primarily focused on managing the risk from highway trees and very gradually improving the condition of the tree asset. This approach, albeit necessary for fulfilling our statutory duty, allows a limited scope for general maintenance to be carried out and within the current financial year it is evident the 'demand' for general maintenance has exceeded the capacity of the available resource.
- 19 Interest in devolvement of tree maintenance remains limited from a District & Borough perspective however we are proactively discussing the potential on a regular basis and making adjustments to the survey which should address some of the issues.
- 20 The funding of additional work via the Local Committee Highway Budget would accelerate improvements to the general condition of highway trees within local areas. The use of additional resource from a choice of existing highway contracts would be an opportunity to explore with interested parties.
- 21 The indicative timeline for devolvement is intended to drive positive discussion between parties on how best to accommodate local requirements in conjunction with the necessity to manage the risk from highway trees.

Financial and value for money implications

- 22 Further financial and value for money implications will need to be considered as future engagement on devolvement is progressed.

Equalities Implications

- 23 No change in level of service identified within this paper, an equality impact assessment will need to be undertaken as future engagement on devolvement is progressed.

Risk Management Implications

- 24 Having an effective survey and maintenance regime in place should mitigate the risk from highway trees.

Implications for the Council's Priorities or Community Strategy/Local Area Agreement Targets

- 25 None

Recommendations:

- (a) That the use of additional resource for highway tree maintenance via the Highways Tree Maintenance and Horticulture, Ditching and Countryside Works contracts, District and Borough contracts and the localism approach is progressed via the local area team and local committees as resource and interest requires.
- (b) That Surrey County Council continues to engage with interested parties on devolvement in accordance with the proposed timeline.

Next steps:

Continue to manage the risk from trees and where resources allow carry out associated maintenance programmes.

Monitor the benefit of the recent survey enhancements and consider any further enhancements requested by the Districts and Boroughs.

Identify what would be considered an acceptable 'backlog' in terms of tree maintenance and review the implications for future maintenance regimes.

Report contact: Lucy Monie, Operations Group Manager, Highways.
Contact details: 02085419896, lucy.monie@surreycc.gov.uk

Sources/background papers:

Previous Environment & Transport Select Committee report on Tree Maintenance and minutes from 19 April 2012 and 8 November 2012.



Environment and Transport Select Committee
6 March 2013

**Surrey Local Flood Risk Management Strategy/
Sustainable Drainage Approving Body**

Purpose of the report: Scrutiny of Services and Budgets/ Policy Development and Review

To provide an update on the Lead Local Flood Authority (LLFA) regarding the local strategy and the Sustainable Drainage Approving Body (SAB).

Introduction:

1. In November 2012, the Environment and Transport Select Committee agreed to consider the Surrey Local Flood Risk Management Strategy and proposals for a SAB at its meeting in March 2013.

Surrey Local Flood Risk Management Strategy

2. Public consultation on the Surrey Local Flood Risk Management Strategy took place from September to December 2012. It is a statutory document required under the Flood and Water Management Act 2010. Surrey was one of the first Lead Local Flood Authorities to publish such a strategy. The list of questions we asked in our leaflet and online survey is at Annex 1. Some quotations from the consultation feedback are provided in the report in italics.
 - 2.1 There were 119 responses to the public consultation. 84% of responses were from residents and 14% represented a community group or a parish council.
 - 2.2 The organisations that responded included the Environment Agency, Highways Agency, Land Management Services (Ministry of Defence) and eight Surrey borough and district councils. A full list of the organisations that responded is at Annex 2.
 - 2.3 We reached 80% of county councillors and many borough and district councillors through further engagement. This included presentations to nine local committees (a public or private meeting). We held a member seminar in September 2012. The level of interest highlights the important role of our elected representatives in communications on local flood risk management.

2.4 We also met with a number of dedicated groups: the Lower Thames Planning Officers Group; Surrey Gypsy and Traveller Communities Liaison Forum; a strategy sub-group of the Surrey Flood Risk Partnership Board; a group of relevant officers in the county council; and Surrey borough and district drainage engineers.

2.5 Surrey Chambers of Commerce invited its network of around 8,000 businesses to contribute views in a Weekly News item. None of the consultation respondents identified themselves as representing a business.

3. Overall those that responded to the consultation felt we are heading in the right direction, even if they had some reservations (total 94%). They also agreed with our ambitions (total 98%), even if they had some reservations. 59% of respondents said they need further information to help understand who is responsible for what and what support they could expect. 90 respondents provided additional comments, such as:

'The draft LFRMS is comprehensive, informative and suitably aspirational. It is also opportunely well-timed in seeking a more holistic view of flooding and the approaches for its containment.'

'The recent flooding in other parts of the country has highlighted the need to have a strategy – for all the areas you have highlighted, including drainage, infrastructure and insurance.'

The importance of the local community engagement in all stages of the Flood Risk Management Strategy cannot be overemphasised. They know their area better than any agency...they can provide early warnings...and identify/ assist vulnerable people threatened by flooding.'

'Most landowners know they have a responsibility to keep ditches clear but they seem to be very lax.'

Unfortunately, in my experience, with so many bodies involved, it is far too easy for the various Authorities to pass the buck and blame others.'

3.1 As well as property-level flooding respondents were concerned about potential dangers to road users and pedestrians. Some respondents were concerned about the impact of heavy rainfall and 'flash-flooding' including runoff from private land. Respondents identified many localised instances and long-term flooding problems.

3.2 The 31 comments on our ambitions almost exclusively recommended better road drainage. This emphasises the importance of our ambition for a long-term drainage asset management strategy.

3.3 We will use the feedback to update the strategy as follows:

- Improve the look and feel of the strategy document and produce an executive summary.

- Make some technical corrections to the content, including more detail on local areas where it is available.
- Insert case studies with new information and draw attention to positive initiatives.
- Include roles and responsibilities of landowners.

3.4 As the LLFA, we will continue to document and track the many local flood risk issues raised in the consultation and share these with any other flood risk authorities involved. We will also use feedback on how respondents want to be updated on flood risk management activity to develop our communications approach.

3.5 We will take account of the issues and priorities of other risk management authorities, which included:

- Establishing a realistic level of flood risk to accept.
- Continuing to review the cost benefits of measures.
- Taking full account of flood risk in the planning system.
- Recognising the importance of sewerage system improvement.
- Continuing to reduce risk to road users' safety and and improve journey time reliability.
- Understanding the risks and hazards which are made worse by the potential impact of climate change.
- Accounting for the requirements and implications of the EU Water Framework Directive (WFD).
- Continuing to identify opportunities for schemes to achieve multiple objectives.
- Provision for delivering on wider environmental objectives.

3.6 The Surrey Flood Risk Partnership Board will consider further actions related to partnership working. To reflect feedback from local committees and individual members, the Chairman Jason Russell has invited all Surrey borough and district councils not currently on the board to join.

3.7 In response to officer feedback, we will continue to develop cross-boundary working. This includes partnership working, where practical, with the South East Seven authorities, Thames Regional Flood and Coastal Committee, Lower Thames authorities and others.

Establishment of Sustainable Drainage Approving Body (SAB)

4. The Committee received an update on 12 January 2012 outlining the new duties. Considerable work has been undertaken in the interim to develop and test options. These were reported to the E&I Departmental Management Team on 12 December 2012 and are outlined in the Cabinet Member paper, dated 25 January 2013, included in Annex 3. Although the Government has not yet implemented Schedule 3 of the Flood and Water Management Act 2010 we are developing a SAB with the intention of a phased introduction from April 2014.

4.1 As summarised by Defra, the key provisions in Schedule 3 of the Act are set out below:

- A SuDS Approving Body (SAB) is created in unitary or county councils.
- SABs must approve drainage systems for managing rainwater in new (re)development before construction begins.
- Secretary of State must publish National Standards for the design, construction, operation and maintenance of SuDS.
- SABs must approve drainage systems they judge to comply with the National Standards.
- SABs must adopt and maintain approved SuDS that serve more than one property; where the SuDS function is approved.
- The Water Industry Act 1991 is amended to make the right to connect surface runoff to public sewers conditional on the drainage system being approved by the SAB.
- Sewerage Undertakers, Environment Agency, Internal Drainage Boards, British Waterways and Highway Authorities to be statutory consultees to the SAB.

4.2 Government is developing the national standards as well as the secondary legislation required to implement these SuDS measures. To complement this, we are producing regional guidance with the 'South East 7' (SE7) partners. This is to aid developers designing schemes and to regularise features that are likely to be offered for adoption and then become a maintenance liability for the council.

4.3 In summary, we considered five options as follows:

- A) A SE7-wide body
- B) Surrey County Council in-house operation
- C) Partnership working with Surrey district and borough councils
- D) Full delegation for delivery through Surrey district and borough councils
- E) Delivery by a contractor.

4.4 There is uncertainty surrounding the date and scope of the SAB. Economic situations are changing, which affects the level of planning and building control figures the SAB would need to respond to. So we will adopt a flexible approach. Overall we prefer Option C. We have discussed the potential for partnership working with all Surrey district and borough councils. There is currently interest to develop joint working arrangements with three of them. We want to retain existing knowledge and expertise in the county.

4.5 Defra is currently proposing to cover the costs of maintaining new SuDS in developments for the first three years. This is considered to be low initially but the long-term costs are largely unknown at present although commuted sums would be negotiated.

Conclusions:

5. We will update the strategy to reflect key issues of concern.
6. We will continue to prepare for the phased implementation of the SAB in response to the future implementation of Schedule 3 of the Flood and Water Management Act 2010.

Financial and value for money implications

7. The strategy states our intent to be ambitious in Surrey to our approach to securing national and additional funding sources. In January 2013 the Thames Regional Flood and Coastal Committee voted to increase the Local Levy on relevant councils. This will increase the Local Levy funding available to £10.5 million in 2013/14. Information provided by the Environment Agency, and available at the time, suggests that Surrey will benefit in the region of £37 million to 2017.

Equalities Implications

8. Only seven respondents (16%) were willing to answer some equality and diversity questions in the public consultation on the draft strategy. We consider this a low response. We will publish a full equality impact assessment with the final strategy.
9. The Surrey Gypsy and Traveller Communities Liaison Forum responded to the public consultation. Issues identified were inundation of static sites sometimes over prolonged periods during flood events. Older people and children are likely to be at most risk. The community is under-supported by insurers. We will use this learning to identify what we and partners can do to help this community with respect to flood risk and flood events.

Risk Management Implications

10. Extreme weather events, continued building on floodplains and limited funding collectively affect how we are able to respond to flood incidents in Surrey. The strategy provides a real opportunity for us to work together with residents and businesses to promote 'self help', reduce risk and prepare for the future.

The Environment Agency defines flood 'risk' as a combination of the likelihood of floods occurring and the consequences that can happen when they do occur. To manage the risks, we are improving our understanding of them. This will reduce the likelihood of incidents happening. It will help us to manage the potential consequences to people, businesses, infrastructure and services.

Our partnership approach to all types of flooding will help us to manage risks. Our studies, such as surface water management plans in Epsom & Ewell and Woking, consider the interaction between surface water and sewage flooding. Joint work on strategic flood risk assessments and developing joint funding bids across neighbouring authorities will ensure

that all flood risks within a catchment (a broader area than a district or a borough) are taken into account.

Recommendations:

11. It is recommended that the Committee notes:
 - a) The summary of responses to public consultation on the Surrey Local Flood Risk Management Strategy and how we are responding to them.
 - b) The rise in the Local Levy (section 7).
 - c) The role of Flood and Water Services Manager is advertised to lead future development of the SAB in Surrey.
 - d) The above commences the establishment of the SAB, based on Phase1 and/ or Phase 2 of Option C (or a hybrid of other options) detailed in Annex 3, which provides the flexibility to adapt to changed circumstances and demands, through negotiations with Guildford, Runnymede and Reigate & Banstead Borough Councils.
 - e) The committee considers appropriate ways for ongoing consultation with members at the appropriate time.

Next steps:

The Surrey Flood Risk Partnership Board will meet on Friday 15 March. The board will consider the feedback to the public consultation. Surrey County Council Cabinet will consider the final draft of the strategy in May 2013.

We will complete a Habitats Regulations Assessment and a final Strategic Environmental Assessment.

We will recruit the Flood and Water Services Manager, initially for a fixed two year fixed term period to further develop Option C.

Report contacts:

Deborah Fox, Strategy and Commissioning Team Manager, Environment and Infrastructure Directorate (strategy).

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Peter Agent, Asset Planning Group Manager, Surrey Highways.

Contact details: 01483 517540 peter.agent@surreycc.gov.uk

Sources/background papers:

Report to Environment & Transport Select Committee held on 8 November 2012.

Report to Environment & Transport Select Committee held on 12 January 2012.

Report to Cabinet Member on 25 January 2013.

Survey Monkey summary report: Draft Surrey Flood Risk Management Consultation 2012 (unpublished).

Draft Surrey Local Flood Risk Management Strategy 2012.

Flood and Water Management Act 2010.

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Annex 1: Public consultation survey questions draft Surrey Local Flood Risk Management Strategy September to December 2012

Online survey questions:

1. Do you feel that we are heading in the right direction?
2. Do you agree with our ambitions?
3. Do you need further information to help understand who is responsible for what and what support you can expect of them?
4. How would you like to be updated on flood risk management activity around the county?
5. How can we help improve land and property owners' understanding of their responsibilities?
6. Do you have any additional comments?
7. Which district or borough do you live in?
8. Are you responding as a (list of organisation types provided)
9. Are you willing to answer some equality and diversity questions?
10. How old are you? (Five age classes provided)
11. How would you describe your ethnic group?
12. Are you? (male or female gender options provided)
13. Do you consider yourself to have a disability?
14. Do you consider yourself to have a permanent and substantial condition or impairment but do not consider yourself to be disabled?
15. Which of the following religious or faith groups do you identify with?
16. What is your marital or same-sex civil partnership status?
17. Are you? (four sexual orientation categories provided).

Strategy summary leaflet questions:

1. Do you feel that we are heading in the right direction?
2. Do you agree with our ambitions?
3. Do you have any additional comments?

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Annex 2: Organisations that responded to the draft Surrey Local Flood Risk Management Strategy December 2012

Residents associations

Banstead Village Residents Association
Court Lodge Residents Association
Howell Hill Residents Association
The Woodmansterne Green Belt and Residents Association
West Addlestone Residents Association
Netherne on the Hill Residents Association
Ringley Park Road Residents Association
Town Ward Residents Association

Parish and town councils

Ash Parish Council
Bisley Parish Council
Chobham Parish Council
Chiddingfold Parish Council
Dormansland Parish Council
Horley Town Council
Limpsfield Parish Council
Normandy Parish Council
Pirbright Parish Council
Salfords & Sidlow Parish Council
Send Parish Council
Shere Parish Council

Local authorities

Elmbridge Borough Council
Guildford Borough Council
London Borough of Richmond upon Thames
Mole Valley District Council
Spelthorne Borough Council
Reigate & Banstead Borough Council
Runnymede Borough Council
Surrey Heath Borough Council
Waverley Borough Council

Strategic Environmental Assessment consultees

Environment Agency
Natural England
Surrey County Council Heritage Conservation Team

Other organisations

The Chertsey Society
Defence Infrastructure Organisation (MOD)
Highways Agency
Surrey Gypsy Traveller Communities Forum
Surrey Wildlife Trust

Community groups

Banstead Community Association
Burpham Community Organisation
Guildford Environment Forum
Pirbright Flood Forum
Worplesdon Flood Forum

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ANNEX 3

**TRANSPORT AND ENVIRONMENT CABINET MEMBER MEETING:
FRIDAY 25th JANUARY 2013.**

**SUBJECT: ESTABLISHING A SUSTAINABLE URBAN DRAINAGE APPROVING
BODY (SAB)**

SUMMARY OF ISSUE:

Under the 2010 Flood and Water Management Act (FWMA) the County has a range of responsibilities in flood management. A substantial duty is to set up a SAB to approve, adopt and maintain new drainage systems. Although the commencement date has not yet been announced, the County Council needs to position itself so that it can put in place at six months notice a fully operational Sustainable Urban Drainage (SuDS) Approving Body (SAB). This paper proposes a way forward which involves partnership working with the Boroughs and Districts to create a flexible body which can grow as the work builds up in future years.

RECOMMENDATION:

It is recommended that:

1. The role of Flood and Water Services Manager is advertised, as agreed by DMT on 12 December 2012, to lead future development of the SAB in Surrey.
2. The above commences the establishment of the SAB, based on Phase 1 and/or Phase 2 of Option C (or a hybrid of other options) detailed in the annexes to this report, which provides the flexibility to adapt to changed circumstances and demands, through negotiations with Guildford, Runnymede and Reigate and Banstead Borough Councils.

REASON FOR RECOMMENDATIONS:

1. The two year appointment will initially assist with the Council's responsibilities to implement a SAB and be funded from an existing DEFRA grant supporting FWM development in Surrey prior to the start of anticipated fee recovery.
2. The County is best placed to provide an overview of SuDS management, whilst working in partnership to maximise use of the existing resources within the Boroughs and Districts. Option C also has the potential to deliver a new income stream and allows for decision making at the appropriate level.

DETAILS:

Under the FWMA Surrey County Council became a Lead Local Flood Authority (LLFA) with new responsibilities, including setting up a SAB. The new SAB is required to approve SuDS drainage systems on new and redeveloped sites prior to construction commencing. Water and sewerage companies, the Environment Agency, British Waterways, Internal Drainage Boards and the Highways Authority are all statutory consultees to the SAB. If the proposed drainage systems meet National Standards the SAB will then be required to adopt and subsequently maintain them if they serve more than one property. The SAB will also include any key components on the Section 21 Asset Register of structures and features that reduce the risk of flooding.

The five options for setting up the SAB are described below with advantages and disadvantages summarised in Annex 3:

A) SE7 wide set up

The establishing of a South East centre of excellence based upon the SE7 authorities. This could provide approval on a range of scale and complexity of SUDs applications, but it has not been considered a practical option by the SE7 Drainage Group. This is because whilst it may have potential economies of scale the complexity of reaching agreement across several districts and counties coupled with the uncertainty of the scope and commencement date makes this unmanageable in the timeframe. In addition, a centrally controlled body, making decisions on potentially very minor matters, would be contrary to the policy of localism. The five counties have, therefore, agreed to arrange their own SAB operations initially, with four pursuing partnering arrangements with their districts.

B) Surrey CC in house set up

This option would require the setting up of a new division of up to 60 plus fte equivalent professional engineers, lawyers, and administrative officers. The County would run the approval process, including those relating to the many thousands of minor developments which currently remain with the districts and Boroughs in terms of planning and building control regulations. The one major advantage is that SCC would retain overall control of the SAB set up. However it suffers from two major drawbacks. Firstly, the lack of existing resource within SCC and the short timeframe means it is impractical to either retrain or recruit knowledgeable staff. Secondly, it is estimated that 60+ new staff will be required which is incongruous with the present political situation. It also shares the same disadvantage as Option A, in that it does not assist in the delivery of localism.

C) Partnership working with districts and boroughs

This would involve a phased method of implementation depending on the scale and timing of implementation of SAB duties. It could commence with a County centre of excellence delivering approvals on the major applications (on the understanding that it might be only those that come in first). This would then cascade down to three/four area wide bodies that would take over the major applications as numbers grew. The much more substantial numbers of minor approvals would be delegated, through negotiation with the 11 Boroughs/Districts Building Control services. This is the recommended option, in accordance with DMT's decision from their 12 December 2012 meeting. It minimises recruitment for SCC and maximises the use of existing

skills and local knowledge already within the districts. And subject to negotiations with the districts, this may also prove the best financial option in the long term. The most appropriate partners to help manage the large and medium sized sites are Guildford, Runnymede and Reigate & Banstead Borough Councils. The small sites would then be delivered through the Building Inspector teams in each of the 11 Boroughs and Districts. Detailed information on current resources and capacity is included in Annex 1.

D) Full partnership delivery through districts and boroughs

This is similar to Option C but without benefit of the strategic outlook and overall control of the SAB within SCC. Depending on negotiations with the districts, this could deliver the most advantageous financial option to SCC. However, if the strategic direction and overall control is lost, the long term costs of future maintenance liabilities may prove far more expensive. This would negate any direct income potential that might arise through the SAB itself.

E) Contractor/Consultant

Whilst this option has the benefit of no recruitment issues it suffers from a huge cost disadvantage and the potential loss of control.

Implementation and timing

The decision making process on the set up is being made difficult by the lack of any clear information from DEFRA on both the final requirements and the actual commencement date. Following recent presentations by DEFRA and the Environment Agency it is, however, now unofficially suggested that the proposed start date for SAB may be April 2014. This paper therefore recommends that a phased introduction should be considered which utilises existing drainage expertise within some of the boroughs and retains central County control for wide FWMA reasons. It also enables the potential for income generation, subject to negotiated fees with the Districts whilst providing flexibility to deal with whatever DEFRA finally announces. **Annex 4** sets out the advantages and disadvantages of a phased introduction.

Costs

In the short term, DEFRA is providing annual funding of £592,000 to the County (which is not ring-fenced) for the implementation of the Flood and Water Management Act responsibilities until at least 2015. Approximately £60,000 p.a. (subject to Hay Panel review of Job Profile) of these monies is provisionally set aside to fund the Flood and Water Services Manager role, including development of the SAB, during that period. By 2015, it is anticipated that the fee income from the approving of SUDs schemes will start to deliver a steadily growing revenue stream that can take over the funding of this position, and indeed other posts that will be required by that time.

At their meeting on 12 December 2012 DMT, therefore, authorised recruitment to the new post, initially for a two year period, with the expectation that it will be confirmed as a permanent post once the anticipated revenue funding is better understood and developed.

Cost projections for the three main options are shown in **Annex 2**. It is emphasised that these financial projections should be viewed with caution as they are based on

DEFRA's consultation documents and recent planning application numbers received by the Boroughs and may, therefore, be subject to change. In addition, the economic climate may substantially affect development activity and the possibility of a phased introduction by DEFRA could affect the costings. The options are shown in the attached paper ranked in the event of phased introductions and also on an overall basis. In general terms the full SAB operation could produce an annual income of approximately £5.3 million with expenditure of around £3.3 million. This does not take into account the future maintenance costs of approved SUDS which DEFRA has indicated it will fund for the first three years (this is likely to be minimal). There is no indication on maintenance cost recovery in future years, other than the potential to charge Commuted payments through the approval process.

Recommendations

In view of the uncertainty surrounding the SAB commencement date and the relatively small difference in the cost projections, it is recommended that Option C be implemented as set out in the attached paper. It may be that a hybrid of Option C might eventually be introduced if this is deemed to be more appropriate. Option C is recommended on the understanding that future maintenance costs could easily offset any of the marginal differences between the income generation potential of the options modelled. The other SCC FWMA roles that need to be accounted for could deliver further economies of scale through Option C, and this is set out in Annex 5. It is, therefore, recommended that:

1. The role of Flood and Water Services Manager is advertised, as agreed by DMT on 12 December 2012, to lead future development of the SAB in Surrey.
2. The above commences the establishment of the SAB, based on Phase 1 and/or Phase 2 of Option C (or a hybrid of other options) detailed in the annexes to this report, which provides the flexibility to adapt to changed circumstances and demands, through negotiations with Guildford, Runnymede and Reigate and Banstead Borough Councils.

CONSULTATION:

- The Director of Environment and Infrastructure, and Directorate Management Team
- Asset Planning Group Manager
- Transport Development Planning Group Manager
- Transport Development Planning Manager (West)
- Temporary SAB Manager(s)
- Directorate Finance Team
- Legal Services
- Borough and District Planning Managers and Building Control Officers.

RISK MANAGEMENT AND IMPLICATIONS:

1. The SAB implementation date is not April 2014, as currently suggested, but is either brought forward or again delayed. The proposed Option C seeks to provide the flexibility necessary to respond to the still unknown SAB implementation timetable which DEFRA will determine.
2. The SAB is either phased in or confirmed as full implementation from a particular date. The proposed Option C seeks to provide the flexibility necessary to respond to the still unknown SAB implementation proposals which DEFRA will determine.
3. The Flood and Water Services Manager will initially be employed to focus on negotiating future partnership working and financial arrangements for the SAB but the role will also involve broader input to FWM issues managed within the Asset Planning Group. Clearly there are strong and ongoing links to the planning process and partnership management that will require close liaison and working with Transport Development Planning Group as well as District and Borough Councils.

Financial and Value for Money Implications

1. The Departmental Finance Team has been involved in developing and testing the financial models shown in the appendices to this report. The income levels shown are based on 2012 information and include assumptions on planning application levels that may generate the need for SAB approvals in each of the Boroughs and Districts.
2. The “base line” intention is that the SAB function is at least cost neutral although the initial financial models suggest there might be income potential for the County, dependent upon fees payable to potential Borough and District partners who will potentially deliver elements of the response.
3. The future revenue and capital maintenance liability of SAB for the Council is subject to the number and type of SUDS likely to be approved and adopted as ‘Highway Maintainable’. Likely costs will be calculated based on Lifecycle Plans and any associated Commuted Sums negotiated as the proposals develop and adoptions begin. In the medium to long term it is likely these costs, for maintenance, access, traffic management etc. will be significant.

WHAT HAPPENS NEXT:

1. The Flood and Water Services Manager Job Profile will be reviewed by the Hay Panel on 30 January 2013, prior to advertisement.
2. The appointed Flood and Water Services Manager will lead on developing the partnership working and financial arrangements with Districts and Boroughs, working with colleagues in both the Asset Planning and Transport Development Planning Groups. This work will enable the Council to respond positively when DEFRA confirm the SAB start date and any phased or immediate implementation arrangements.

3. Working with colleagues, including Transport Development Planning Group, The Asset Planning Group Manager will report to the Assistant Director, Highways with options to respond to the Council's varied and ever increasing FWM Act and Lead Local Flood Authority responsibilities.
-

Contact Officer:

Peter Agent
Asset Planning Group Manager - 01483 517540

Annexes:

Comparison Financial Models for setting up a SuDS Approving Body (SAB) in Surrey

Local Authority matrix of information (Recommended Area offices shown in grey)

Postholder's number of years experience (local knowledge)	Mole Valley	Regigate and Banstead	Tandridge	Epsom & Ewell	Runnymede	Surrey Heath	Elmbridge	Spelthorne	Guildford	Woking	Waverley
Portfolio Member		12			3			10			
Relevant Director	4	-		25	16			6			
Head of Service	4	0		7	12	7		6			
Planning Manager	34	2		3	0	1		25		5	
Building Control Manager	40	3	40	25	23	4		9		15	
Drainage Officer(s)		11			25+	14		N/A	40+	10	
Public Space Maintenance Officer(s)	3?	8						10		10	
Question	MVDC	RBBC	TDC	EEBC	RBC	SHBC	EBC	Spel	GBC	WBC	Wav
Annual total number of planning applications	1,800	2,000	1,500	950	1,250	1,000+	2,100	820	2,200	1,500	2,200
Annual total number of building control applications/notices	950	500 Full 250 App In 600 Notice	940	717	750	726	1,600	641	1,150	800	1,100 (LA) 250 (AI)
What Planning software do you use	APAS	Civica	MIS Headway	Uniform	Northgate	Acolaid	Northgate M3	CAPS	Idox Acolaid	CAPS	Northgate iLap
Does your authority suffer from serious flooding events? If yes, approximately how many properties are affected internally?	No	Yes 5 since July 2000	No	No 1	Yes 7,000	Yes 250+	No	Yes	Yes 11 in Ash 2006 & garage in Pirbright	Yes but not recently	Not recently but 1,838 at risk
Is it a political priority for Members?	Yes	Yes	No	No	Yes	Yes	No	Yes	Yes	Yes	No
Do you have an annual revenue drainage budget? If yes, how much?	No	Yes £15,400		No	Yes £43,000	Yes £67,470	No	Yes £5,500	Yes £122,000	Yes £5,000	Yes £30,000
Does the authority commit capital expenditure on an ad hoc basis? If yes, when and how much in last 5 years?	No	Yes £6,000/yr		No	Yes Inc above	Some	No	Yes £80,000 over 5yr	Yes £350,000 Ash Green £225,000 Pirbright	Yes Hoe Valley	Yes £70,000 over 5yr
Do you have Land Drainage Byelaws? If yes, when were they introduced?	No	Yes 2001	No	No	Yes 1984	No	No	No	No	No	No
Is there any Sustainable Drainage knowledge / experience within the authority?	Yes Building Control	Yes 1	No	No Limited	Yes 4	Yes	No	No Minimal	Yes	Yes 1 GMcM	Yes
Do you have any engineers or any officers who use MicroDrainage Windes or AutoCAD	No	Yes 1 Source Control 2 CAD	No	No	Yes 4	Yes Basic CAD	No	No	Yes	No	No

Summary of Financial Options

	Large applications - sites with greater than 10 properties					
	Medium applications - sites with 2-10 properties					
	Small applications - sites with single property					
	C) Recommended partnership working with districts & boroughs					
	Income	Exp In house	Exp partner	Net	Rank	Difference
Estimated	£340,240	£190,820	£21,823	£127,597	1	£0
Estimated	£452,052	£492,891	£49,102	-£89,941	2	-£180,235
Estimated	£4,498,063	£0	£2,625,366	£1,872,698	2	-£11,856
Totals	£5,290,355	£683,710	£2,696,291	£1,910,354	3	-£122,627
	D) Full partnership delivery through districts & boroughs					
	Income	Exp In house	Exp partner	Net	Rank	
Estimated	£340,240	£29,993	£210,265	£99,982	3	-£27,615
Estimated	£452,052	£29,993	£331,765	£90,294	1	£0
Estimated	£4,498,063	£29,993	£2,625,366	£1,842,705	3	-£41,850
Totals	£5,290,355	£89,980	£3,167,395	£2,032,981	1	£0
	B) Surrey CC full in house delivery					
	Income	Exp In house	Exp partner	Net	Rank	
Estimated	£340,240	£212,841	£0	£127,399	2	-£198
Estimated	£452,052	£542,355	£0	-£90,303	3	-£180,597
Estimated	£4,498,063	£2,613,509	£0	£1,884,554	1	£0
Totals	£5,290,355	£3,368,705	£0	£1,921,650	2	-£111,331
	Secondments from Districts					
	Hourly rates are likely to be comparable with SCC					
	Use of Consultants					
	Hourly rates are likely to be double SCC/districts					
	Summary					
	C) is likely to be the best financial option for red sites					
	D) is likely to be the best financial option for orange sites					
	B) is likely to be the best financial option for green sites					
	D) is likely to be the best financial option for all sites					
	The significant financial difference is in the delivery of orange sites where the districts would generate economies of scale. However it is heavily dependent on the final fee agreements with the districts.					

Advantages and Disadvantages of High Level Options

Advantages	Disadvantages
SE7 wide set up	
<ul style="list-style-type: none"> • Potential economies of scale 	<ul style="list-style-type: none"> • Complexity of agreements with so many counties and districts • Complexity of IT compatibility • Dissimilarities of areas • Less likely to have local knowledge • Geographical issues of increased travelling time
<u>Surrey County Council in house set up</u>	
<ul style="list-style-type: none"> • Maximises control of SAB operation 	<ul style="list-style-type: none"> • No expertise/capacity within existing staff • Recruitment of 66 new staff • Training of new staff • Long implementation timeframe • Minimal local knowledge • Geographical issues of increased travelling time
<u>Partnership working with districts and boroughs</u>	
<ul style="list-style-type: none"> • Establishes strong and uniform area based links with each planning authority • Retains a good degree of local knowledge and expertise • Minimises travelling time • Shorter implementation timeframe 	<ul style="list-style-type: none"> • Subject to mutual agreement of fees • Possible software compatibility issues
Full Partnership Delivery through districts and boroughs	
<ul style="list-style-type: none"> • Minimises staffing levels for SCC • Establishes strong and uniform area based links with each planning authority • Retains a good degree of local knowledge and expertise • Minimises travelling time 	<ul style="list-style-type: none"> • Relinquishes substantial control of SAB operation • Subject to mutual agreement of fees • Requires more agreements with partners • Likely to have more software compatibility issues • Longer implementation timeframe
Contractor	
<ul style="list-style-type: none"> • Minimises staffing levels for SCC • Short implementation timeframe 	<ul style="list-style-type: none"> • Highest cost option for Surrey CC • Relinquishes substantial control of SAB operation

Advantages and Disadvantages of SuDS Approving Body phased set ups

One central body	
<u>Advantages</u>	<u>Disadvantages</u>
<ul style="list-style-type: none"> • Developers deal with one body • Uniform process and consistency • More suited to large scale, small volume applications for expert knowledge and economy • Only requires minimum negotiation and agreement with partner • One software system • Shortest implementation timeframe 	<ul style="list-style-type: none"> • Less likely to have local knowledge • Geographical issues of increased travelling time • Less suitable for medium and small scale applications • Requires high drainage expertise and local knowledge as well as flexibility to deal with large volumes
<u>Eleven district/borough bodies</u>	
<ul style="list-style-type: none"> • Establishes strong and uniform area based links with each planning authority • Maximises local knowledge and expertise • Minimises travelling time • Excellent for small scale, large volume applications • Suited to Building Inspectors existing knowledge and duties 	<ul style="list-style-type: none"> • Uneconomical for large scale, small volume applications • Requires maximum number of agreements with partners • Likely to have more software compatibility issues • Longest implementation timeframe
<u>Three area wide bodies</u>	
<ul style="list-style-type: none"> • More suited to medium scale, medium volume applications • Retains a good degree of local knowledge and expertise • Reasonable travelling distances <p>East Area - Reigate & Banstead, Tandridge, Mole Valley, Epsom & Ewell</p> <p>North Area – Runnymede, Elmbridge, Spelthorne, Surrey Heath</p> <p>South Area - Guildford, Waverley, Woking</p>	<ul style="list-style-type: none"> • Not best suited for either large scale or small scale applications • More complex negotiations and agreements required with partners • May have a software compatibility issue • More suited to those districts who already have drainage engineers looking at planning applications

Integration of Lead Local Flood Authority Roles

SUMMARY OF CURRENT ROLES

The Flood & Water Management Act, which is being enacted in stages, identified Surrey County Council (SCC) as a Lead Local Flood Authority (LLFA) with the following duties;

- to establish and monitor a Flood Risk Management Strategy
- to cooperate with the other Risk Management Authorities e.g. Environment Agency (EA), sewerage undertakers, district and borough councils
- to maintain a register of local structures and features (s21) that affect flood risk
- to investigate and report on significant flooding issues
- to set up a Sustainable Drainage Approving Body (SAB) to approve, adopt and maintain new drainage systems
- also on 6th April 2012, the responsibility for issuing and enforcing consents on ordinary watercourses transferred from the EA to SCC

CONSENTING

The chargeable fee for these applications is only £50. Likely number of applications is around 50 per year and may be as low as 10 in some years. Requires drainage expertise to review any proposal and previous local knowledge will reduce assessment time. SCC also required to record and register consents and unlikely to cover expenditure costs from the fee income available. Bava Sathan is currently undertaking this role on secondment until January 2013. Recently set up and running from Merrow within Asset Planning Group.

SUDS APPROVING BODY

Possible phased introduction starting with larger sites from April 2013 (DEFRA recently confirmed October date is not happening). The fee income from these applications is dependent on size and complexity. Broadly speaking the expenditure costs are likely to match the fee income for the larger sites. However, the balance point will be met once the smaller sites are phased in and may indeed generate a large income.

David Sowe currently undertaking this project until the end of December 2012. Partnership working with districts/boroughs probably the best option. Will require a SAB manager to oversee this role and ensure fit with other SCC departments/sections.

MAINTENANCE OF SUDS

Once approved and adopted, the SAB is responsible for maintaining the SuDS. Those features in or alongside the public highway would sit within Highways. but the upkeep of swales and ponds etc. may sit more comfortably elsewhere, subject to funding and contract arrangements. Maintenance costs will only be covered by government grant for the first 3 years but it is anticipated that costs will be negligible in these early years.

ENFORCEMENT

Major decision required on this element. SCC could undertake this activity by purely looking at "legal solutions" and pursuing transgressors through the courts. This has major disadvantages in a) the time taken is lengthy and flooding will continue regardless b) no guarantee that any money spent on remedial works will be recovered c) negative publicity will damage SCC image, especially in the light of being the LLFA. Recommend legal action should only be taken if all else fails. Capacity issue within existing legal team.

REGISTER OF LOCAL STRUCTURES AND FEATURES

Statutory duty to maintain this register. Basic element in reducing risk of flooding by identifying key structures and ensuring properly maintained. Will incur initial costs in setting up register but minimal costs thereafter as riparian owners' responsibility. Currently being undertaken by Asset Planning Group.

DESIGNATING POWERS

This can be viewed as a "nice to have feature" but not essential. Suggest this is not a priority at present, as it will consume resources. Private landowners are likely to resist designations and take to appeal. Better to educate and work in partnership with riparian owners. Requires sound drainage expertise and local knowledge. Creating and using new Surrey wide Land Drainage Byelaws is probably a more effective restraint.

INVESTIGATE AND REPORT ON SIGNIFICANT FLOODING ISSUES

Somewhat difficult to predict but could prove very difficult to manage following major flooding in many areas. The residents/businesses affected will demand action. Need to establish a clear "priority" on which problems will be investigated first and indeed what will not. Requires sound drainage expertise and local knowledge. Currently being covered by secondments within Operations Group at Merrow.

LAND DRAINAGE BYELAWS

Recommend that SCC try and introduce common byelaws across the County in order to a) simplify enforcement and b) increase public awareness. Should be relatively easy if SCC follow DEFRA model and the existing byelaws in Reigate & Banstead BC and Runnymede BC do not conflict. Costs of advertising required.

WATER FRAMEWORK DIRECTIVE

Water quality, ecology and amenity issues will need to be considered for consenting, enforcement and SAB roles. The suggested time frame for initial environment assessment of all ordinary watercourses (by December) with EA assistance/guidance is very challenging. Is there capacity for this to be delivered through the Environment team?

National Planning Policy Framework

Under the FWMA 2010, SCC as the LLFA also has a flood risk management function and includes using statutory or other powers to permit, require, restrict or prevent activities. Government has recently replaced a whole suite of planning documents including PPS25 (Development and Flood Risk) and they have been replaced by the National Planning Policy Framework (NPPF) and its Technical Guidance. Under the NPPF, local planning authorities should seek advice from LLFA to support their Strategic Flood Risk Assessment and develop policies to manage flood risk. That duty is under the risk management duty as provided by FWMA and reinforced by NPPF. There is currently no technical expertise within SCC to deliver that duty; if consulted by local planning authorities, SCC as LLFA may have to provide advice and exercise its flood risk management function.

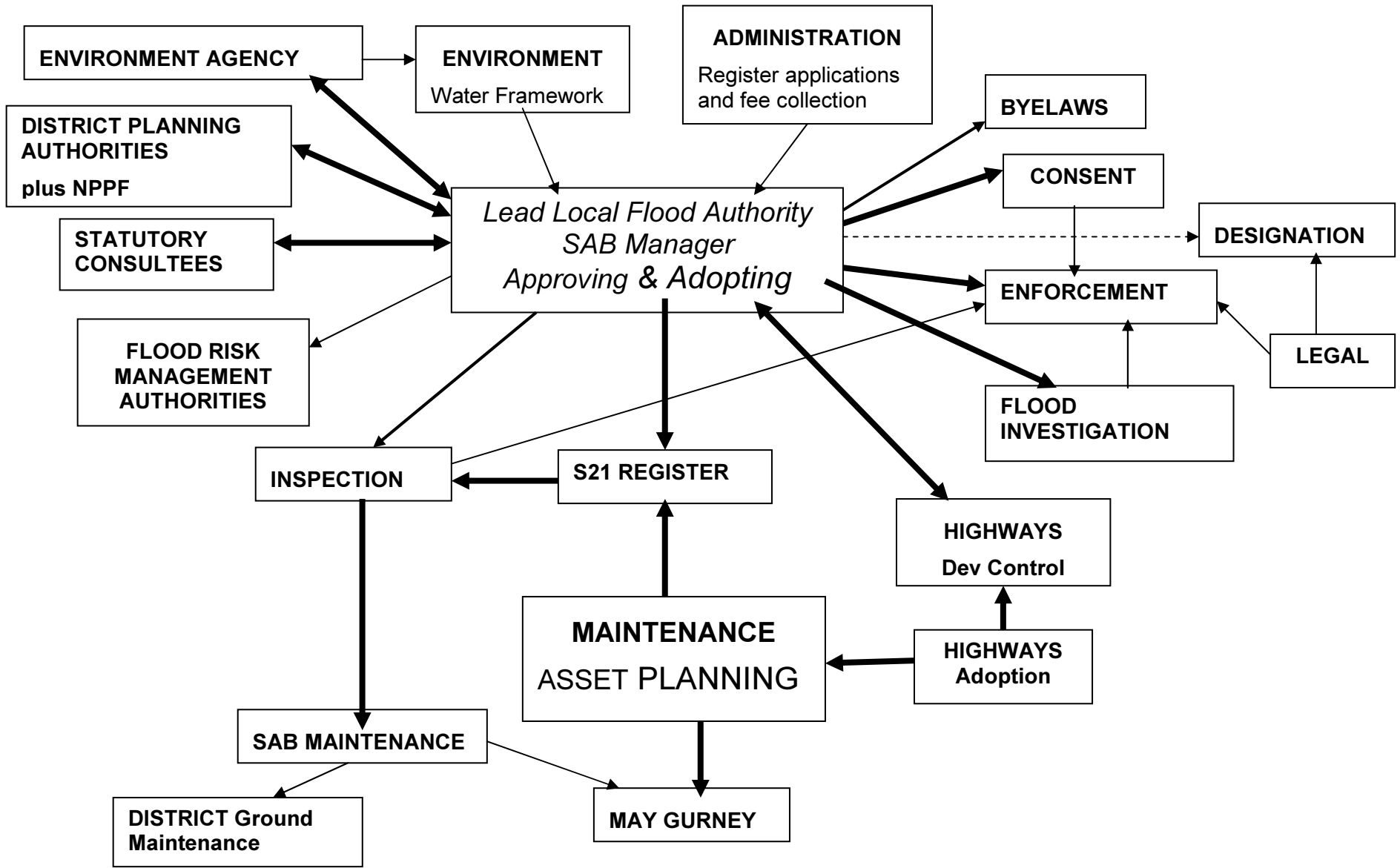
OVERALL FLOOD RISK MANAGEMENT AND LLFA STRATEGY

Recommend that SCC establish a short term plan of investing in order to save in the longer term. The initial up front prevention costs will in the end be significantly less than on-going costly reactive work every time flooding occurs. First of all identify flood risk areas and main causes of flooding. Establish register of local structures and any crucial ordinary watercourses. Commence public awareness campaign in these higher risk areas. Set up inspection schedules and maintenance regimes where necessary. Set aside maintenance budget for quick wins, i.e. reduce risk to large number of houses at small cost. All this would involve recruiting/training/partnership working of drainage engineers. This results in a proactive way of reducing the risk of flooding. It advises and

works with private landowners. It reduces the need for costly legal action and at the same time demonstrates that SCC is acting as a LLFA.

SCC is currently in danger of adopting a piecemeal strategy by treating each of the above roles independently. This is no doubt a result of the uncertainty surrounding implementation dates of the various enactments of the FWMA. A strategic look at the final end game is required at this stage. The SAB will be a key link to all roles and it is vital that a manager understands and can drive progress in all roles and recognises the fit with relevant SCC sections and borough/districts (see attached diagram).

LEAD LOCAL FLOOD AUTHORITY ROLES



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Environment & Transport Select Committee
6 March 2013

Task Group Report: Countryside Management

Purpose of the report: Policy Development and Review

The Select Committee is asked to endorse the recommendations of the Task Group, which seek to ensure that the management of Surrey's countryside can be conducted in a financially sustainable manner.

Introduction:

1. In July 2012, the Environment & Transport Select Committee convened a Task Group with the broad aim of considering how the management of Surrey's countryside could be conducted in a long term, in an effective and financially sustainable manner which promotes economic growth. A scoping document is included as **Appendix 1**.
2. The Task Group was chaired by Simon Gimson and had representation from each of the political parties. Members of the Task Group included Mark Brett Warburton, Stephen Cooksey, Tom Phelps Penry, Michael Sydney and Denise Turner Stewart.
3. This was an evidence-led review involving key partners and stakeholders. The Task Group met between July 2012 and January 2013 and formed five key recommendations based on the following themes:
 - The land owned by Surrey County Council and managed externally;
 - The management of the Small Holdings and Farm Estate;
 - Partnership working;
 - The rural economy; and
 - Tourism.
4. The evidence considered included:
 - Public Value Review of the Countryside Service 2010/11;
 - Internal Audit of Countryside Management 2011; and
 - Reports to Environment & Transport Select Committee 15 September 2011, 12 January 2012 and 19 April 2012.

These reports are all available as background papers.

5. A series of witness sessions were held as part of the review and the full list of attendees is included as **Appendix 2**. The Task Group would like to thank these witnesses for taking the time to attend the meetings and providing their views, as these were invaluable when writing the final report.

Background to the Review:

6. Countryside is a vital asset to Surrey as it defines character, promotes well-being and prosperity and is an economic asset if managed sustainably.
7. Surrey County Council owns more than 2,300 hectares (6,500 acres) of countryside available for quiet enjoyment. It has also entered into access agreements with private landowners, providing public access to a total of over 3,500 hectares (10,000 acres) of Surrey's countryside. Sites include:
 - Chobham Common National Nature Reserve;
 - Norbury Park (opposite Box Hill, between Leatherhead and Dorking);
 - Ockham, Wisley and Chatley Heath (off the M25/A3 junction), including the Semaphore Tower; and
 - Staffhurst Wood (just south of Oxted), a fine example of ancient woodland.
8. The above sites and many others are managed on behalf of Surrey County Council through a partnership with the Countryside Management department of Surrey Wildlife Trust (SWT). The Countryside Ranger Service has evolved with reduced cover to manage open spaces for the benefit of wildlife and visitors.
9. The Surrey Hills Area of Outstanding Natural Beauty (AONB) stretches across a quarter of the County to include the chalk slopes of the North Downs, which extend from Farnham in the west to Oxted in the east, and south to the deeply wooded Greensand Hills which rise in Haslemere. This landscape is rich in wildlife, woodland and attractive market towns and villages and provides some of the best walking in the whole of Southern England.
10. The Surrey Hills is a nationally important landscape and was one of the first areas in England to be designated an AONB in 1958. This designation recognises the beauty of the landscape and ensures that it is properly conserved and managed for future generations to enjoy.

The Partnership Contract with Surrey Wildlife Trust:

11. The Task Group identified the operation of the contract between the County Council and Surrey Wildlife Trust as a key area for consideration. The background and scope of the contract are set out in **Appendix 3**.

12. The Task Group were particularly interested in the management of the property portfolio, the level of on-going financial support, and the associated monitoring and governance arrangements.
13. It was agreed by the Task Group that there should be a freeze on any disposals of property until this review has concluded and reported back to the Environment & Transport Select Committee. It was also agreed that the contract review should be carried out in conjunction with a review of the Small Holdings and Farm Estate (set out in recommendation 2 of this report), and that this review be co-ordinated by the Strategic Director for Environment and Infrastructure (with suitable external support). The Task Group felt that this would encourage a more coherent approach to the County's property portfolio which would enable the County to maximise economies of scale and also promote greater financial transparency.
14. The Task Group recognised the contract with Surrey Wildlife Trust had achieved some of the anticipated benefits of outsourcing countryside management. In particular, it was recognised that SWT, due to its charitable status, had successfully obtained a number of external grants that the County was ineligible to apply for. The Task Group noted that SWT had raised £766,000 in additional charitable funding for specific projects.
15. The Task Group also noted the successes of SWT in relation to wildlife and habitat management which have resulted in demonstrable improvements to the countryside and enjoyment by residents as well as accreditation and awards.
16. Despite these successes, the Task Group noted that there was provision in the current contract for regular reviews and suggested that one should now be undertaken to ensure best practice and value for money.
17. The Task Group felt it appropriate that the review should focus on all aspects of the contract with SWT, including the Trust's expertise and effectiveness in property management and the development of its asset management plan as well as financial reporting and information. It was noted that other stakeholders, such as Mole Valley and the Ministry of Defence, did not utilise the services of SWT for property management.
18. The Task Group noted that the small number of properties within the portfolio presented management issues for SWT as it was difficult to achieve economies of scale. It was also noted that the grants for which SWT was eligible to apply could not be used to fund staff management costs associated with the properties. In addition to this, the Task Group felt that it was not appropriate to include some properties in the contract, for example the Semaphore Tower.
19. As noted above, the Task Group were of the view that this property review should be carried out in conjunction with a review of the Small Holdings and Farm Estate as it may be possible to achieve synergies in management across the County's property portfolio.
20. The Task Group recommended the Norbury Sawmill should be included in this contract review. The Sawmill was not making a profit at the time of

transfer in 2002 and SWT has underwritten its losses since that time. Following an external report commissioned by SWT, there has been some restructuring and a small profit is now being made. The Task Group understood that a business plan was in preparation for early 2013 on the Sawmill. The Task Group were of the view that it was imperative for a financially robust and long-term business plan to be produced in order to secure the future of the Sawmill.

21. The contract review would also include the development of clear measures to ensure value for money. The Task Group reviewed the Annual Performance Report (2011-12) but were unable to draw financial conclusions, in particular around the staffing costs for the contract. New measures were needed to ensure a clear relationship between financial support and performance and so result in value for money for the County Council and ultimately Surrey residents.
22. Revised governance arrangements for the contract will be required to underpin the changes to the contract. This would involve consideration of how and who the County Council nominates to the Partnership Committee as well as reporting arrangements, including an annual report to the Environment & Transport Select Committee.
23. Both SWT and the Task Group highlighted the importance of good communications between the County Council and SWT. This would be supported by the improved performance information but should also, the Task Group recommended, include a communication strategy aimed at promoting awareness of the countryside and its importance within the County. This could include, for example, an annual Member Tour of the Estate. This work could be announced on the back of the new contract being implemented.

Recommendation 1:

The Strategic Director for Environment and Infrastructure reviews the contract between Surrey Wildlife Trust and Surrey County Council. This review should include:

- **All aspects of the contract;**
- **The development and measurement of more clearly defined outputs that ensure value for money;**
- **A review of the governance arrangements; and**
- **The development of a communication strategy to promote the benefit of the partnership arrangements to Members of the County Council and Surrey residents.**

Timescale: Report to Environment & Transport Select Committee - October 2013.

The Small Holdings and Farm Estate:
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24. The Task Group reviewed the Small Holdings and Farm Estate to ensure a strategic approach to the properties within the Countryside Estate in its

entirety. The background to the Small Holdings Estate is contained within **Appendix 4**.

25. The Task Group were informed that the contract with the managing agent was due for renewal. The Task Group recommended that this review was carried out by the Strategic Director for Change and Efficiency (with suitable external support), in conjunction with the Strategic Director for Environment and Infrastructure. Furthermore, the Task Group recommended that the tendering process be put on hold until recommendation 2 of this report had been completed and reported to the Environment & Transport Select Committee.
26. The Task Group were of the view that a strategic approach should be applied to enable the County Council to maximise the return from its rural property portfolio. For this reason, it recommended that the review of the properties in the SWT contract be carried out in conjunction with a review of the Small Holdings and Farm Estate.
27. The Task Group felt this process should commence with a review of the purpose of the Small Holdings and Farm Estate including how it could be better managed for the benefit of tenants, Surrey residents and other stakeholders.
28. Careful review of the evidence including a confidential valuation report and budgetary information was carried out. The Task Group noted that the Small Holdings and Farm Estate was breaking even but had insufficient evidence to make a judgement about whether the full economic potential of the Estate was being realised.
29. The Task Group expressed concerns regarding the professional knowledge within the County about the agricultural estate. It was felt a dependency had developed over time on the County's managing agents which impacted upon the ability to carry out internal challenge of the management arrangements. The Task Group felt that the County must become a more 'intelligent customer' in order to realise the benefits of the Small Holdings and Farm Estate and carry out an effective challenge to the management arrangements.

Recommendation 2:

The Strategic Director for Change and Efficiency reviews the management arrangements for the Council's Small Holdings and Farm Estate to ensure that they retain value and maximise economic returns.

Timescale: Report to Environment & Transport Select Committee - October 2013.

Partnership Working:

30. Partnership was identified as a key theme in the review. It was recognised that following the creation of Nature Partnerships, there was a need for the County Council to review its relationships with all bodies. However, the

Task Group also came to the conclusion that not enough emphasis had been placed on the facilitation role of the Council.

31. The Task Group reviewed briefing notes from Officers which set out the rural networks in Surrey and a summary of countryside partnerships with County Council involvement (including budgetary information, the County Council contribution and County Council representation on the partnerships). These documents are attached as **Appendix 5**. It was apparent that there was a large range of partners and this resulted in some complexity of working. The Task Group did not have the opportunity to consult with all of these partners; however those interviewed provided a valuable insight with regards to current partnership arrangements in Surrey.
32. The Task Group found evidence of effective joint working between the County and other statutory and voluntary organisations dating back over a number of years. This was confirmed by the witness sessions where key stakeholders such as Natural England, the National Trust and Mole Valley spoke of positive partnership arrangements. Projects such as the Area of Outstanding Natural Beauty also demonstrated tangible outputs that were visible to the different agencies as well as Surrey residents.
33. Witnesses stated the County had a role in providing strategic leadership and linkages with the potential to enhance engagement and deliver tangible outcomes. It was recognised that collectively there are experts in various partnerships as well as Districts and Boroughs and the County.
34. However, there was a perception that the County's leadership role had diminished over time as countryside was not seen to be as high on the Council's agenda as other strategic issues.
35. When considering partnerships, the Task Group also took into account the Natural Environment White Paper which has led to the formation of Local Nature Partnerships. The Task Group concluded that the White Paper presented an opportunity for the County to review and refresh its approach.
36. From a leadership perspective the Task Group expressed significant concern that the County only had Officer representation at the Surrey Nature Partnership. The Task Group recognised the growing importance of the Partnership and felt that there should be Cabinet Member representation on it.
37. The Task Group spent some time considering future direction and in particular the County Council's relationship with and influence on the Local Enterprise Partnerships (LEPs). The Task Group understood the difficulties for some of its partners (such as the Surrey Rural Partnership) in engaging with two LEPs rather than a county-wide organisation as this presented a resource challenge for volunteer organisations.
38. Again the Task Group recognised the growing importance of the Surrey Nature Partnership and felt it could play an important role in successful engagement with the LEPs. It was anticipated that the Surrey Nature Partnership could create a County level approach to dealing with the different organisations.

39. The Task Group recommended that the County systematically review all partnerships on which it is represented to ensure that they offer beneficial outcomes and value for money for the County Council and residents. This review should include the financial contribution made by the County as well as the list of attendees to ensure appropriate representation at the correct level.
40. The Task Group were of the view that partnerships should be reviewed on an annual basis to ensure that they continue to deliver value for money. Any changes should be reported to the Cabinet Member for Transport and the Environment.
41. The Task Group concluded that this piece of work to define and agree the partnerships with County representation should be underpinned by a culture of facilitation and partnership rather than direction.

Recommendation 3:

The Strategic Director for Environment and Infrastructure reviews and refreshes the approach to rural and countryside partnership working. This review should include:

- **A revised register of all partnerships within the County, setting out the purpose of each organisation and financial contributions and representation from the County;**
- **That this register is reviewed on annual basis to ensure it continues to be relevant;**
- **That a culture of partnership (rather than direction) is encouraged and fostered within the County; and**
- **That Surrey County Council actively engages with the (new) Surrey Nature Partnership, with the County representative on this body being the Cabinet Member for Transport & Environment.**

Timescale: Report to Environment & Transport Select Committee - June 2013.

The Rural Economy:

42. The Task Group considered the role of the County Council in promoting the rural economy. The two main areas considered were planning and the management of woodlands.
43. A finding that emerged from the witness sessions was that the planning system was often regarded as bureaucratic. The Task Group were mindful that there needed to be a balance between new developments and preserving the character of Surrey villages. However, the Task Group were aware of the high value of Surrey properties compared to wage rates in the rural economy. There was a concern that villages did not become 'dormitories' as this would impact on the rural economy itself and the ability of those working in the local economy to live locally.

44. Therefore, the Task Group proposed that the Council works closely with partners to facilitate both affordable housing and job opportunities. This would include opportunities as part of Surrey's apprentice scheme.
45. The Task Group concluded that the Countryside policy and strategy should be revised to reflect the economic and legislative landscape. It was recognised by the Task Group that businesses may choose to relocate or expand locally in part because of the high quality of Surrey's countryside and the associated quality of life. However, as with partnerships, the County was seen to be most effective in a facilitation role.
46. The Task Group understood from a number of witnesses (including the Forestry Commission) that ownership of Surrey's woodlands is fragmented and this makes it more difficult to develop a coherent strategy. The Task Group recognised that there is significant, positive work being undertaken on the County's large estates, and was of the view that smaller estates should work closely together in order to mirror this model. However, there were some examples of small scale good practice in Surrey, evidenced by the Forestry Commission.
47. Witnesses interviewed by the Task Group also commented on how there appeared to be no single, joined-up strategic vision for the countryside estate in Surrey. It was noted that there were strategies in place but these were too fragmented.
48. This evidence was used by the Task Group to make recommendations in relation to its own woodlands and more general recommendations around the market. The Task Group were keen to promote woodland management practices that integrated economic and environmental objectives.
49. The Task Group considered its own estates and noted that there were no specific objectives within the SWT contract for wood production. They recommended that this should be part of the contract review (see recommendation 1) and that targets should be set and monitored. The Task Group were firmly of the view that all sources of funding should be maximised. For this reason, they recommended that a plan be produced to maximise grant funding and income from sales.
50. The Task Group understood from a number of witnesses, including the Forestry Commission, that Surrey's woodlands have not been well managed since World War Two. One example of this was that coppicing was not carried out regularly.
51. Examples were given, including at a site visit to Pond Farm with SWT, of land which had been returned to heath land from forest. It was explained that members of the public would not necessarily understand the technicalities of managing woodland and the need to remove some trees as part of a strategic management plan. For this reason, the Task Group felt that these issues should be considered in the development of a communications plan (recommendation 1) to increase public engagement and to increase support for more proactive management.

52. The Task Group were of the view that the County Council could become a leader in the market by increasing demand on its own estate. Targets should be set for a proportion of new boilers to be wood chip, rather than the default being wood fuel, in order to create demand in the local supply chain. It would be important to ensure an appropriate balance in financial risk and return, through heat supply contracts and shared savings arrangements with schools.
53. The Task Group did not see a direct role for the County Council in developing wood hubs and so thought that staff time spent on this activity should cease. There would certainly be a facilitation role and encouragement of different stakeholders to participate but no more than this.

Recommendation 4:

- a) **The County Council maintains policies which enable residents to live and work in the rural community. This will require working with partners to facilitate both affordable housing and job opportunities (including apprentices).**
- b) **The County Council supports the development of the wood fuel industry in Surrey and encourages cooperation between the owners of smaller woods.**
- c) **The County Council prioritises the use of wood fuel in its own buildings, subject to approval of a business case.**

Timescale: Report to Environment & Transport Select Committee - June 2013.

Tourism:

54. The Task Group viewed tourism and access as two important areas for the future and felt that the County Council had an opportunity to capitalise on the Olympic Legacy. A successful tourism strategy was seen as one means of promoting and sustaining economic growth.
55. The Task Group noted the multiplicity of bodies working in the Tourism market in Surrey, including Visit Surrey and the Surrey Hills Society. It was felt that work with these bodies should be encouraged to work in the most cost-effective manner possible.
56. The Task Group reviewed and compared the approach of the County Council to its iconic locations (including Newlands Corner, Leith Hill and Box Hill/Norbury) with other organisations. While plans are being prepared for some locations such as Newlands Corner, there is no overall strategic approach to these sites. This was in contrast to other organisations such as the Forestry Commission, who do employ such an approach. Evidence from the Forestry Commission at Alice Holt Forest provided a model that could be replicated by the County.
57. The Task Group concluded therefore that there was an opportunity for the County to create income to maintain and enhance visitor locations. The Task Group also noted the success of other organisations such as the

Surrey Hills Society, SWT and Mole Valley in using volunteers as a force multiplier in conserving the countryside.

58. The Task Group were all agreed that any management plans with income generation activities must result in improvement to the countryside and the visitor experience.
59. For example, the evidence reviewed included car park charges being introduced by organisations such as the National Trust and Forestry Commission, to fund improvements in visitor facilities. The Task Group were of the view that this should not be a 'blanket policy' as it could not be applied to sites where there were no facilities and it must take into account users of the facilities (for example there would be differential rates for local people and those using sites for businesses such as dog walking). The policy would need to be well communicated to Surrey residents so that it was not perceived as a 'tax' on the countryside but as a means for funding improvements to sites.
60. Facilities management and produce was also a consideration. It was noted that organisations such as the Forestry Commission outsourced commercial activities (such as running cafes) to organisations with expertise in running commercial operations. It was also noted that other organisations, such as the private estates, had effective marketing information about their produce and how to obtain the produce. Again it was the view of the Task Group that the County could learn from this.
61. Efforts should also be made within these management plans to consider how visitors could be dispersed across the countryside rather than converging on a few key sites. This would disperse the benefits of an increase in tourists while minimising the impact upon footways and bridleways, for example. The latter can be damaged by excessive use by motor vehicles, horses and cycles during wet weather.
62. Witnesses expressed the view that there are new and different drivers for access today compared to the past. Although there is greater pressure from the public around countryside access, knowledge and understanding of the countryside is not as great. For this reason, the Task Group wanted any management plans to include a communication strategy.
63. The Basingstoke Canal was outside of the remit of this Task Group. However, Members felt that Environment & Transport Select Committee should be kept informed of progress as it was a linked piece of work.
64. The Task Group felt there was scope to capitalise on the Olympic Legacy. It was understood that the Olympics required a huge resource but had very tangible benefits. For example the Task Group thought this Legacy could be developed by improving cycling provision / facilities. The evidence from witnesses such as Mole Valley suggested that there was a big market that was consistent with management of the countryside.
65. The AONB offered a good model for branding and marketing which was considered as part of the evidence. In October 2012, the County Council's

Cabinet approved the signing of a Trademark Licence Agreement which has potential to achieve significant commercial return.

Recommendation 5:

- a) **Specific management plans are created for iconic locations in Surrey.**
- b) **The Olympic Legacy is used as a catalyst for key decisions.**
- c) **Objectives are agreed with the AONB to reflect the strength and potential brand for Surrey.**

Timescale: Report to Environment & Transport Select Committee - June 2013.

Conclusions:

66. Following careful consideration of reports, evidence provided by witnesses at Task Group meetings and contributions from Officers, the Task Group concluded that there were a number of actions the County Council could undertake in order to ensure that the future management of Surrey's countryside estate takes place in a financially sustainable manner. These actions are set out under 'Recommendations' below.
67. It is also suggested that a level of continuity with regards to scrutiny of this subject be carried in to the future, to ensure successful monitoring and implementation of the Task Group's recommendations.

Financial and Value for Money Implications:

The recommendations put forward in this report will assist the Council in achieving value for money by improving the management of the Countryside Estate to maximise returns and ensure that it is financially sustainable on a long-term basis.

Equalities Implications:

No negative implications identified, however the adoption of a new communications strategy would need to take into account forms of contact with hard to reach and disadvantaged groups.

Risk Management Implications:

The recommendations put forward in this report would reduce the risks associated with management of the Council's countryside estate by reviewing existing contract arrangements and improving financial sustainability.

Implications for the Council's Priorities or Community Strategy:

As detailed under 'Financial and Value for Money Implications', the report's recommendations would have a positive impact upon the Council's Corporate Strategy objective to deliver value and quality to Surrey's residents. The proposals to review the Council's approach to partnership working would also

have a positive impact upon the objective to work with partners in the interests of Surrey.

Recommendations:

Recommendation 1:

The Strategic Director for Environment and Infrastructure reviews the contract between Surrey Wildlife Trust and Surrey County Council. This review should include:

- All aspects of the contract;
- The development and measurement of more clearly defined outputs that ensure value for money;
- A review of the governance arrangements; and
- The development of a communication strategy to promote the benefit of the partnership arrangements to Members of the County Council and Surrey residents.

Recommendation 2:

The Strategic Director for Change and Efficiency reviews the management arrangements for the Council's Small Holdings and Farm Estate to ensure that they retain value and maximise economic returns.

Recommendation 3:

The Strategic Director for Environment and Infrastructure reviews and refreshes the approach to rural and countryside partnership working. This review should include:

- A revised register of all partnerships within the County, setting out the purpose of each organisation and financial contributions and representation from the County;
- That this register is reviewed on annual basis to ensure it continues to be relevant;
- That a culture of partnership (rather than direction) is encouraged and fostered within the County; and
- That Surrey County Council actively engages with the (new) Surrey Nature Partnership, with the County representative on this body being the Cabinet Member for Transport & Environment.

Recommendation 4:

- a) The County Council maintains policies which enable residents to live and work in the rural community. This will require working with partners to create both affordable housing and job opportunities (including apprentices).
- b) The County Council supports the development of the wood fuel industry in Surrey and encourages cooperation between the owners of smaller woods.
- c) The County Council prioritises the use of wood fuel in its own buildings, subject to approval of a business case.

Recommendation 5:

- a) Specific management plans are created for iconic locations in Surrey.
- b) The Olympic Legacy is used as a catalyst for key decisions.
- c) Objectives are agreed with the AONB to reflect the strength and potential brand for Surrey.

Next steps:

Following consideration by the Select Committee, the Task Group's report will be submitted to Cabinet on 26 March 2013.

Report contact: Thomas Pooley, Scrutiny Officer, Democratic Services.

Contact details: Tel: 020 8541 9902, email: thomas.pooley@surreycc.gov.uk

Sources/background papers:

- SCC Public Value Review of the Countryside Service, 2011/12.
- SCC Internal Audit of Countryside Management, 2011.
- Reports re: Surrey Wildlife Trust to Environment & Transport Select Committee, September 2011, January 2012 and April 2012.

Appendices:

Appendix 1 – Task Group scoping document

Appendix 2 – List of witnesses

Appendix 3 – Background to the Surrey Wildlife Contract

Appendix 4 – Background to the Small Holdings Estate

Appendix 5 – Summary of Countryside Partnerships with County Council involvement

Select Committee Task Group Scoping Document

The process for establishing a task group is:

1. The Select Committee identifies a potential topic for a group
2. The Select Committee Chairman and the Scrutiny Officer complete the scoping template.
3. The Council Overview and Scrutiny Committee reviews the scoping document
4. The Select Committee agrees membership of the task and finish group.

Review Topic: Countryside Management
Select Committee(s) Environment and Transport Select Committee
Relevant background Surrey County Council owns more than 2,300 hectares (6,500 acres) of countryside available for quiet enjoyment. It has also entered into access agreements with private landowners, providing public access to a total of over 3,500 hectares (10,000 acres) of Surrey's countryside. In May 2002, the County Council entered into a legal agreement with the Surrey Wildlife Trust (SWT) for the management of the countryside estate. Under this agreement land owned by the Council is leased to the Trust for 50 years and SWT manages the land and property. SWT also manages access agreements with private landowners on behalf of the Council.
Why this is a scrutiny item Surrey completed a Public Value Review of the Countryside Service during 2010/11. The Review recommended a number of changes aimed at refocusing the Countryside Service with a view of promoting a new strategic focus on the 'green elements' of the Council's rural landholding and on promotion of exploration by Surrey residents and visitors of Surrey's attractive countryside. It was anticipated that this would create opportunities to generate significant extra income to offset a reduction in Council costs and to improve services. In July 2011, there was an internal audit of the Surrey County Council Countryside Management Contract. The audit made a number of recommendations relating to contract management and governance and these either have been or are being actioned. In addition to this there have been three reports to the Environment and Transport Select Committee during the past eight months relating to the agreement between the Council and SWT in relation to governance and asset management. Members expressed concerns over a number of issues including financial viability and these were not allayed by the three reports to Committee.

At the Environment and Transport Select Committee on 19 April 2012, the Cabinet Member for Transport & Environment, requested that the Committee set up a Task Group to consider how the management of Surrey's countryside could be conducted in a financially sustainable manner in the long term.

It is not intended that the Task Group will duplicate the work described above, although it will be informed by it.

What question is the task group aiming to answer?

- How can Surrey achieve financially sustainable and suitable management arrangements for its countryside?
 - Is the Rural Strategy still relevant / fit for purpose? and
 - How does/ should it relate to Countryside management in practice?
- What are the Council's statutory obligations in relation to Countryside Management?
 - What is being done in addition to statutory requirements?
 - Is this still appropriate? and
 - In what ways should these services be facilitated or provided?
- How can we ensure appropriate leadership and representation as part of the governance arrangements for countryside management?
- What is the vision for Countryside Estate?
 - Revenue generation/ financial sustainability?
 - Opportunities for revenue generation? and
 - Optimising the Estate
- How can the Council achieve more effective partnering arrangements?
 - What is the most effective and efficient way to manage Surrey's countryside (taking into account best practice)?

Aim

Aim: To develop a countryside management strategy that incorporates sound governance principles, is financially sustainable and promotes partnership working.

Scope (within / out of)

The review will cover the countryside owned by and managed on behalf of Surrey County Council.

Outcomes for Surrey / Benefits

This will achieve a satisfactory set of management arrangements with financial sustainability at their core.

Proposed work plan

The detailed scope and project plan will be developed by the Task Group. There will be an interim report to the Environment and Transport Select Committee in Autumn 2012 and a final report in January 2013.

Witnesses

External Organisations

Surrey Wildlife Trust
Surrey Hills Board
Surrey Rural Partnership
National Trust
National Farmers Union
Campaign to Protect Rural England (Surrey Branch)
Surrey County Association of Parish and Town Councils
DEFRA
Countryside Management Association
Forestry Commission
And others that are identified by the Task Group

Officers – To include

Ian Boast – Assistant Director
Lisa Creaye-Griffin -
Rob Fairbanks – Surrey Hills AONB Director

Members – To include

John Furey – Portfolio Holder

Useful Documents

Surrey Rural Strategy

Potential barriers to success (Risks / Dependencies)

This is a complex project that depends on sound project management by the Task Group to avoid project creep to ensure that it finishes within the projected timescales.

Equalities implications

These will be identified and considered as part of the detailed work.

Task Group Members	The Task Group will be drawn from the Environment and Transport Select Committee. To include Steve Renshaw, Mark Brett-Warburton, Simon Gimson, Michael Sydney, Stephen Cooksey and Chris Frost
Spokesman for the Group	Steve Renshaw, Chairman of Environment and Transport Select Committee
Scrutiny Officer/s	Jacqui Hird, Scrutiny Manager

List of Witnesses

Adam Wallace, Natural England

Rob Fairbanks, AONB

Bridget Bidell, Hampton Estate

Michael Baxter, Albury Estate

David Kennington, National Trust

Andrew Bircher, Paul Stacey and Rod Shaw, Mole Valley DC

Paul Wickham, Surrey Nature Partnership

Matthew Woodcock and Karen Guest, the Forestry Commission

Lisa Creaye-Griffin, Bronwen Fisher and Adrian Sancroft, Surrey County Council

Lawrence Crow, Woodland Management Consultant

Jonathan Gasson and Henry Robinson Ministry of Defence

Surrey Wildlife Trust, Nigel Davenport, Mark Pearson, Sarah Jane Chimbwandira, Heather Hawker

Graham Wilkinson and Chris Chaney, Surrey Rural Partnership

Graham Butler and Janet Barton, Countryside Access Forum

Background to the Surrey Wildlife Contract

Historically, the County Council had been acquiring land for many years in order to preserve from development areas in Surrey countryside that were of high amenity and wildlife value. By 2002, the landholding had reached 3,563 hectares and included that largest NNR in South East England at Chobham Common and other wildlife habitats of international importance. The County Council has a legal duty to maintain the nature conservation value of its holdings, coupled with a desire to ensure the long term viability of the Estate for recreation and a requirement to make long term financial savings. For this reason, the County Council made a decision to outsource the management of the Countryside Estate.

In 2002, Surrey Wildlife Trust took on the management of the County Council's Countryside Estate. At the time this was seen as a ground breaking arrangement. The underlying principle was to give Surrey Wildlife Trust the responsibility of managing the Estate to deliver the service in accordance with the contract allowing a reasonable amount of freedom to enable them to generate income that would not normally be available to the County Council.

The financial basis of the contract was a payment made by the County Council to Surrey Wildlife Trust reducing on a sliding scale from 2006/07 until 2012/13 and then subject to review. The aim of the agreement was to protect the service on the Estate for the future and allow improvements to that service.

The Estate was leased to Surrey Wildlife Trust in 2 leases. The first lease included the land and visitor facilities that formed the public service estate plus the Norbury Sawmill and tied housing. The phase 2 lease covered the commercial property such as farms and cafes. The County Council spent £1.5 million on the property before it was included in the leases to ensure they were all fit for purpose.

The governance arrangements included a Partnership Committee that meets twice a year to oversee the way the contract is working and to look at strategic issues. The Partnership Committee is comprised a total of 11 representatives from Surrey Wildlife Trust, Surrey County Council and a representative of the Access Agreement Owners.

The Small Holdings Estate

Overview

1,223 hectares (3,022 acres) with approx 100 tenants occupying a mixture of dairy farms, grassland farms (i.e. beef), smallholdings (incl horticultural units) and grazing as well as cottages.

As of 31 March 2012 cv £43.674m (2011 £36m); rent roll £497,909pa; yield 1.29%

(Chesterton Humberts report and valuation 31-3-12)

Income and expenditure

The returns for the Estate are low but that is typical for this type of land as the yield is low. The rents are determined with advice from Chesterton Humberts at the appropriate times. Rents are periodically reviewed or renewed, they are not set annually.

There is latent value in the rental portfolio that can only be accessed when contracts come up for renewal.

Appendix 5: Summary of Countryside Partnerships with SCC Involvement							
Partnership	Type of Partnership	Host/employer	Total Partners(Funding Partners)	Number of staff	Total Budget Expenditure Estimated for 2012/13	SCC Contribution 2012/13	SCC Members on Partnership
Surrey Hills AONB	Joint committee to carry out statutory duties relating to AONB	SCC	13 (8)	9 FTE Some on fixed term contracts	£622,675 With £249,800 of that for the Regional Tourism Project	£26,900	John Furey, Michael Sydney, rep. Tandridge DC
Lower Mole Countryside Management Project	Countryside Management Project (CMP) non statutory but helps with stat role re biodiversity	SCC	7(6)	4 FTE Some on fixed term contracts	£190,000	£32,000	Colin Taylor, Chris Frost
Downlands CMP	Countryside Management Project (CMP) non statutory but helps with stat role re biodiversity	SCC	7(6)	8 Some on fixed term contracts	£423,000	£32,000	Angela Fraser, Michael Sydney
Surrey Heathland Project	CMP to assist in managing the heathland of Surrey. non statutory but helps with stat role re biodiversity	SCC	13(4)	2	£98,000	£29,000	Michael Sydney

Surrey Countryside Partnership	SWT/SCC partnership agreement to manage the Countryside Estate	Surrey Wildlife Trust	3 (2)	31.2 FTE	£1.8m	£954,000	John Furey, Linda Kemeny, Helen Clack, Tim Hall, Bill Barker
Basingstoke Canal	JC with Hants.CC and riparian local authorities along the Canal	Hampshire CC	12(8)	10	£642,000	£153,000	Linda Kemeny, Chris Pitt, Ben Carasco, Diana Smith
Gatwick Greenspace Project	CMP on edge of Crawley/Horley	Sussex Wildlife Trust	8(8)	2		£13,000	Helyn Clack, Kay Hammond
High Weald AONB	JC to deliver statutory duties relating to the AONB	East Sussex CC	16(16)	8	£360,000	£2,900	Michael Sydney
Blackwater Valley Countryside Management Partnership (BVCMP)	CMP, urban fringe along the River Blackwater	Hampshire County Council	13 (13)	3	£111,500	£13,000	Denis Fuller
Blackwater Valley Road	Contribution to the maintenance of the landscaping on the BVR carried out by BVCMP					£21,000	
Thames Landscape Strategy	Regional Landscape and Access Partnership	Richmond Upon Thames	15 (15)	5	£113,00	£3,000	Peter Hickman, Ernest Mallett

Colne Valley Partnership	Regional Partnership	Buckinghamshire	10(10)	3.3	£54,000	0	Carol Coleman
Surrey Biodiversity Partnership	Partnership to collate data on biodiversity across the County, delivers on statutory biodiversity duty.	SWT	12(4)	1.5	£90,000	18,000	No members involved.
Surrey Rural Partnership	Non statutory partnership that meets to influence policy and strategy and ensure best use of opportunities for funding.	Community Action Surrey	32(4)	1	£10,000	£2,500	Cabinet Member for Environment and Transport

Local Nature Partnerships

Local Nature Partnerships were created in response to the Natural Environment White Paper: Natural Choice: Securing the Value of Nature

The overall purpose of an LNP is to:

- Drive positive change in the local natural environment, taking a strategic view of the challenges and opportunities involved and identifying ways to manage it as a system for the benefit of nature, people and the economy.
- Contribute to achieving the Government's national environmental objectives locally, including the identification of local ecological networks, alongside addressing local priorities.
- Become local champions influencing decision-making relating to the natural environment and its value to social and economic outcomes, in particular, through working closely with local authorities, Local Enterprise Partnerships (LEPs) and Health and Wellbeing Boards.

Effective LNPs will have:

- a shared strategic vision and priorities which focus on outcomes
- a broad membership
- effective and accountable governance and leadership
- the ability to be influential with both local and strategic decision makers
- knowledge to raise awareness of the value of the natural environment as well as the services it
- a good overview of activity within the area to add value to existing collaboration and identify and fill gaps – in Surrey a key need that has emerged from the stakeholder engagement is a desire for co-ordination across the county.

Suggested themes for LNPs include:

- sustainable land use and management,
- green economic growth,
- quality of life and health & well-being

LNPs will utilise the skills and networks of organisations outside conservation. Help to co-ordinate and support funding bids. They will provide information on sustainable management and importance of ecosystems as well as provide co-ordination and support for landscape scale projects ensuring these join up and avoid duplication. They have an important role in planning, equal footing to LEPs.

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