

## Notice of Meeting

# Environment & Transport Select Committee



**Date & time**  
**Wednesday, 23**  
**October 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  
8213 2733

**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 David Harmer (Chairman), Mr Mike Bennison (Vice-Chairman), Mr John Beckett, Mrs Natalie Bramhall, Mr Mark Brett-Warburton, Mr Stephen Cooksey, Mrs Pat Frost, Mr David Goodwin, Mr Ken Gulati, Mr Peter Hickman, Mr George Johnson, Mr Adrian Page, Mr Michael Sydney, Mr Richard Wilson and Mrs Victoria Young

### **Ex Officio Members:**

Mr David Munro (Chairman of the County Council) and Mrs Sally Ann B Marks (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: 11 SEPTEMBER 2013**

(Pages 1  
- 12)

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 (17 October 2013).
2. The deadline for public questions is seven days before the meeting (16 October 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  
13 - 16)

A response has been received from the Cabinet Member in relation to the recommendations of the Select Committee to consider the Fortyfoot Road petition.

### **6 RECOMMENDATION TRACKER AND FORWARD WORK PROGRAMME**

(Pages  
17 - 22)

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

- 7 BRIEFING: SURREY HIGHWAYS PERMIT SCHEME** Presentation
- Purpose of report:** Scrutiny of Services
- To provide Members with an update on the highways permit scheme.
- 8 HIGHWAYS STRATEGIC PEER REVIEW** (Pages  
23 - 28)
- Purpose of report:** Scrutiny of Services and Budgets
- To update the Select Committee on the recommendations of the Strategic Peer Review, the actions taken to date in response, and the planned next steps.
- 9 INTERNAL AUDIT REPORT: HIGHWAYS CONTRACTS LOT 5 - HIGHWAY FLOOD PREVENTION** (Pages  
29 - 40)
- Purpose of report:** Scrutiny of Services and Budgets
- In November 2010 Cabinet approved the award of contracts for highway maintenance and construction within Surrey in seven discrete lots. Lot 5 covering highway flood prevention was awarded to May Gurney and commenced in April 2011.
- 10 COUNTRYSIDE MANAGEMENT TRANSFORMATION PROGRAMME UPDATE** (Pages  
41 - 56)
- Purpose of report:** Scrutiny of Services and Budgets
- Following the Report by the Countryside Management Task Group, it was agreed that progress on the actions would be reported to the Select Committee in July and October 2013. The Output from the Task Group has now been developed into the Countryside Management Transformation Programme.
- 11 BRIEFING: SURREY FUTURE** Presentation
- Purpose of report:** Scrutiny of Services
- To allow Members to provide input to the Council's Surrey Future initiative.
- 12 DATE OF NEXT MEETING**
- The next meeting of the Committee will be held at 10 am on 12 December 2013.
- There will be a private Committee Budget Workshop during the afternoon following today's meeting.
- The Communities Select Committee is holding a meeting on 28 November 2013 at 2pm to scrutinise the Surrey Cycle Strategy. Members of the Environment & Transport Select Committee are invited to attend this meeting.

### **MOBILE TECHNOLOGY – ACCEPTABLE USE**

Use of mobile technology (mobiles, BlackBerries, etc.) in meetings can:

- Interfere with the PA and Induction Loop systems
- Distract other people
- Interrupt presentations and debates
- Mean that you miss a key part of the discussion

**Please switch off your mobile phone/BlackBerry for the duration of the meeting.** If you wish to keep your mobile or BlackBerry switched on during the meeting for genuine personal reasons, ensure that you receive permission from the Chairman prior to the start of the meeting and set the device to silent mode.

*Thank you for your co-operation*

**MINUTES** of the meeting of the **ENVIRONMENT & TRANSPORT SELECT COMMITTEE** held at 10.00 am on 11 September 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, 23 October 2013.

**Elected Members:**

- \* Mr David Harmer (Chairman)
- \* Mr Mike Bennison (Vice-Chairman)
- \* Mr John Beckett
- Mrs Natalie Bramhall
- Mr Mark Brett-Warburton
- \* Mr Stephen Cooksey
- Mrs Pat Frost
- Mr David Goodwin
- \* Mr Ken Gulati
- \* Mr Peter Hickman
- \* Mr George Johnson
- \* Mr Adrian Page
- \* Mr Michael Sydney
- \* Mr Richard Wilson
- \* Mrs Victoria Young

**Ex officio Members:**

Mr David Munro, Chairman of the County Council  
Mrs Sally Ann B Marks, Vice Chairman of the County Council

**Substitute Members:**

- \* Mr Ian Beardsmore

**38/13 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]**

Apologies were received from Natalie Bramhall, Mark Brett-Warburton, Pat Frost and David Goodwin.

Ian Beardsmore acted as a substitute for David Goodwin.

**39/13 MINUTES OF THE PREVIOUS MEETING: 19 JULY 2013 [Item 2]**

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

**40/13 DECLARATIONS OF INTEREST [Item 3]**

There were no declarations of interest.

**41/13 QUESTIONS AND PETITIONS [Item 4]**

No Member questions or petitions had been received. One public question was received by the Committee and the response was circulated. The response to the question can be found attached to the minutes of this meeting.

The Select Committee agreed that it would not take any further action on the issues raised by the question, as the planning decisions in question were a matter for Runnymede Borough Council to consider.

**42/13 RESPONSES FROM THE CABINET TO ISSUES REFERRED BY THE SELECT COMMITTEE [Item 5]**

There were no responses from Cabinet for the Committee to note. The Chairman informed Members that he expected a response regarding the petition to resurface Forty Foot Road at the Committee's next meeting in October 2013.

**43/13 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6]****Declarations of interest:**

None.

**Witnesses:**

None.

**Key points raised during the discussion:**

1. The Committee was presented with the Recommendations Tracker and proposed Forward Work Programme, and were asked to provide comment. Members were made aware that the report on Concessionary Fares would now go to the October meeting owing to a wider Transport Review which had taken place.
2. The Chairman explained that a Member briefing on the Surrey Wildlife Trust agreement had been arranged for 27 September 2013 at 10am,

and that scrutiny of the Surrey Cycle Strategy would take place with the Communities Select Committee on 28 November. This meeting would be public and will be led by the Communities Select Committee, with the Environment & Transport Select Committee being invited to attend.

3. The Chairman requested Members note there would be an E&I budget planning workshop during the afternoon following the Select Committee meeting on 23 October.

**Recommendations:**

None.

**Actions/further information to be provided:**

Members were requested to consider items scheduled for future meetings and what they would like to discuss during the meeting. This would ensure appropriate officers were present at the meetings and the reports considered Members concerns.

**Committee next steps:**

The Committee will consider the Forward Work Programme and Recommendations Tracker at its next meeting.

**44/13 MAY GURNEY/KIER CONTRACT - 12 MONTH REVIEW [Item 7]**

**Witnesses:**

Mark Borland, Projects and Contracts Group Manager, Highways  
Jim Harker, May Gurney

**Key points raised during the discussion:**

1. The Project and Contracts Group Manager explained that the May Gurney contract covered five main activities – safety, planned maintenance, network improvements, minor works and winter service.
2. The contract was delivering on all potholes being repaired, however last year they were unable to reach the 98% target for Medium Risk repairs within 28 days. This led to overall target performance of 96% for safety repairs.
3. May Gurney had increased the number of gangs operating by 14, and this increase was covered within the contract. This was in response to a third successive bad winter and increasing number of potholes to repair.
4. High Risk repairs previously needed to be completed within 24 hours though it was felt that this was creating a negative public image as neighbouring potholes were being left. The time period had now been extended to five working days/one week, to allow multiple potholes to be repaired at the same time with larger machinery, however it was

also noted that there was still a need to educate the public as to why certain potholes would be repaired ahead of others.

5. 5% of all repairs were audited which ensures a high standard – this was in addition to before and after photographs of the potholes, while a new PDA device was to be developed by Kier which would assist in reporting.
6. Communication with the public had been an issue though a new website was in development which was hoped to be live by the next financial year. Members were invited to be part of a RIE to assist in the development of this webpage. It was hoped this website would encourage residents to report directly to Surrey County Council and not through websites such as Fix My Street. Members additionally suggested that instead of saying repairs would be completed within five working days the public would respond better to the terminology of 'a week'.
7. A £5 million additional budget, which was approved by Cabinet, has assisted in ensuring the potholes are being repaired as the figures are higher than anticipated. Members were surprised that the number of potholes has been larger than anticipated. It was explained that May Gurney had tendered for one bad winter though there had now been two. There had also been a backlog of repairs to be completed from the previous contractor which was higher than expected. An action plan was being drawn up which would assist in getting the numbers down to a normal level, though the success of this plan was dependent on whether there was a bad winter.
8. The Committee discussed repairing potholes below the 40mm depth, though it was stated that these would not be repaired as the whole road may need to be resurfaced. This was in keeping with the benefits of Project Horizon, which sought to move from reactive to proactive road maintenance.
9. Members queried the decision to not use over-banding when repairing potholes, though officers explained they had received technical evidence that vertical banding was sufficient for most potholes.
10. Contractors ensured temporary repairs were returned to within 28 days as all pothole repairs were time stamped and an automatic report would be created once the 28 day period had passed. It was felt that the PDA devices would ensure this was more successful along with the extension from 24 hours to five working days/one week, to complete repairs.
11. Unison's recent protests against Kier's blacklisting of contractors was a concern to the Committee, though they were assured that the protests were in regards to Kiers construction sector and not the Surrey highways contract. Furthermore it was confirmed that Kier was in communication with Unison over the issue.
12. Members raised concerns regarding the depth of potholes near kerbs as 40mm is dangerous for cyclists. The Committee were informed that if it is a separate cycle path the depth must be 20mm for repairs to



take place, however on normal carriageways the minimum depth for repairs to take place would remain 40mm, otherwise a policy change would need to occur. The viability of this taking place was limited, as it would require a significant amount of additional funding.

13. Members were concerned by the number of projects which were aborted, however it was felt by officers that the new PDAs would assist in lowering this number as the inspectors would be required to talk to traffic management teams and work in collaboration.
14. The impact of utility companies' street works on the condition of the highway was discussed, as highways were often not properly reinstated. Officers were keen to improve record keeping so they are able to go back to the company if repairs were required within two years of utility works. To this end a number of additional staff would be employed to assist with the reporting and monitoring of utility company street works.
15. Members raised concerns over kerb stones in the road and the speed at which these would be fixed. It was stated that if a large concrete kerb stone was found in the road it would be removed within two hours, though the kerb would be repaired within three months.
16. Officers stated they were now targeting having a date for minor works to be done within ten days of reporting, in order to improve public understanding of the repairs process. Members expressed disappointment at the length of time it took to complete minor works, though officers admitted this was an area of improvement which they were looking at and they aimed to have the works done within three months.
17. Minor works were being completed with other organisations, such as signs for those with special needs being created by a charity, with only 40% completed by May Gurney. To ensure these were positioned where appropriate the team was liaising with the Local Area Teams.
18. Members raised concerns at a lack of communication and the quality of certain works. May Gurney agreed that this was an area of improvement for them. The Project and Contract Group Manager suggested that Surrey Highways needed to improve communication with Members regarding works in their areas and that he would investigate further.
19. The Project and Contract Group Manager stated that he felt that planned maintenance had been the greatest success over the past 12 months as this was an area which had seen a lot of innovation, including Project Horizon which had reduced design costs from 40% to 15%. Additionally a new app for Members' iPads was in development which would enable officers to update Members quickly regarding works in their division.
20. May Gurney had previously had problems with cars parked on roads which were to be resurfaced, however gangs were now aware they had the power to remove cars.

21. May Gurney felt that they had had a good year overall and that their focus was on delivering Project Horizon. They felt that being acquired by Kier would have good outcomes for Surrey as it was their biggest contract in highways. Kier would invest time and money into the delivery of the contract to improve the Surrey network.
22. The Select Committee congratulated officers for the improvements made to Surrey's highway network following the introduction of the May Gurney/Kier contract.

**Recommendation:**

None.

**Actions/further information to be provided:**

The Committee be provided with details of the first year of Project Horizon schemes at its meeting in October 2013.

**Committee next steps:**

The Committee to scrutinise the May Gurney/Kier contract at a future meeting.

**45/13 OVERVIEW OF WATER MANAGEMENT IN SURREY [Item 8]**

**Witnesses:**

Lesley Harding, Sustainability Group Manager  
 Colin Buckle, Environment Agency  
 Justine Glynn, Environment Agency

**Key points raised during the discussion:**

1. The Surrey Local Flood Risk Strategy was in the process of being signed off by the Boroughs and Districts. A Lower Thames Flood Alleviation Strategy (FAS), which aimed to alleviate flood risk within the lower Thames area, was also being worked on by the Environment Agency and all councils affected. This would cost in the region of £256 million and would be part government funded.
2. Water companies in the county were forming Water Resource Management Plans which were to look at tackling leakage and shifting to greater use of metering.
3. The Environment Agency explained that only 35% of rainfall is useful or available to use which is why other sources of water are abstracted for the water supply. In Surrey, the gap between the water supply and water consumption was very small, which is why the county was designated as an area under water stress. Additionally, Surrey uses comparatively more water than other areas of the country, though there was an upward trend of properties being metered which lowered consumption over time. Furthermore, water quality in Surrey was very poor as there had been several hundred incidents of water pollution, half of which were due to sewage leakages.

4. The Environment Agency explained that according to the National Flood Risk Assessment (NaFRA), Runnymede and in particular Egham and Staines, were high risk areas. The Environment Agency, it was explained, was working with Woking Borough Council on an initial assessment to benefit three communities (Mayford, White Rose Lane and Queen Elizabeth Way, and Old Woking and Westfield) where there were flooding risks. The Cranleigh Attenuation Scheme was looking at ways to store water downstream from a pond.
5. The Committee discussed that it was very important to get Surrey's water consumption down to the regional average, especially given potential further strains on the water supply as a result of increased housing and development. Officers confirmed that although there would be engineering solutions to alleviate the water supply issues these would be at a high cost. It was felt that it was important for Surrey County Council to understand water stress alleviation schemes.
6. Officers confirmed that metering usually saw water consumption go down by between 10% and 17%, however water companies were moving away from compulsory metering as OFWAT was the organisation with the power to allow it.
7. Members requested the draft report by the Environment Agency be shared with Boroughs and Districts.

**Recommendations:**

None.

**Actions/further information to be provided:**

None.

**Committee next steps:**

The Committee scrutinise Lead Local Flood Authority functions and the Lower Thames Flood Alleviation Scheme at a future meeting of the Select Committee.

**46/13 SURREY RAIL STRATEGY [Item 9]**

**Witnesses:**

Iain Reeve, Assistant Director, Environment, Transport & Planning  
Stephen Bennett, ARUP

**Key points raised during the discussion:**

1. The Assistant Director for Environment, Transport & Planning explained that though Surrey County Council had no statutory obligation regarding the development of rail within Surrey, it was felt that the county should be more proactive in lobbying for schemes which would benefit residents and the Surrey economy. Surrey had

asked ARUP to assist in the research and writing of a strategy which would enable Surrey to have areas of focus.

2. Four specific elements had been identified as suggested areas of focus for the county – train capacity, access to airports, electrification of the North Downs line and Crossrail 2.
3. Crossrail 2 was felt to be an opportunity for Surrey, if the regional route was chosen, as it would free up capacity at Waterloo. However, it was anticipated that Crossrail would not be delivered until 2026 at the earliest and for the full benefits of this project to be felt within Surrey additional incremental works would need to be completed. Additionally, the report suggested a new station at Park Barn in Guildford and implementing more parking at stations. However, it was felt that more work needed to be done to enhance the Rail Strategy.
4. The Committee queried whether the platforms at Waterloo International could be reopened and whether this would assist in easing capacity at Waterloo. Officers suggested that one platform could be reopened, however to utilise the others new tracks would need to be laid and there was an issue of capacity on the lines approaching Waterloo, particularly within the Clapham Junction area.
5. Members felt the Strategy needed to look at utilising the improvement works which had been carried out at Reading station and easing congestion outside Woking station. Additionally, Members queried the lack of strategy for Tandridge, however officers suggested the Strategy was Surrey wide and that Tandridge would benefit from the confirmed improvement works on Brighton Main Line. Members suggested the Strategy mention that Surrey supports the improvement works on this line.
6. The Committee discussed whether train companies should use longer trains on the 'shoulder' rush hours to encourage commuters to travel later and free up capacity during the rush hour. ARUP confirmed that South West Trains would be getting additional train carriages which will enable longer trains to run during the rush hour.
7. Station parking was discussed as an issue for commuters; however it was hard to predict the actions of commuters as some drove into London to get cheaper fares while others drove further out to get a seat. It was suggested that looking at putting in multiple level car parks at popular stations would need to be considered, in addition to further cycle parks at rail stations.

**Recommendations:**

None.

**Actions/further information to be provided:**

None.

**Committee next steps:**

The Select Committee will consider further items on rail in Surrey as and when required.

#### **47/13 WINTER SERVICE REVIEW / REPORT OF THE WINTER MAINTENANCE TASK GROUP [Item 10]**

##### **Witnesses:**

Peter Agent, Asset Planning Group Manager

##### **Key points raised during the discussion:**

1. The Winter Maintenance Task Group spokesperson explained the Task Group had been in operation for three years and that the recommendations had been effective in improving Surrey's response to severe winter weather, which had been welcomed by residents. He explained that there had been some concern within the Task Group at the decision by Cabinet to remove the £5 million reserve for an extended severe winter. Members however had been assured by officers that if additional funding was required this could be found within the existing E&I budget.
2. The Task Group spokesperson stated that there had been a preference that the Task Group meet earlier in the year to discuss the future winter as it would enable Local Committees to comment on recommendations, however this was not possible in 2013 due to the elections.
3. The Task Group requested the Cabinet look into replacing the salt barn at Merrow and the associated costs.
4. The relationship between the County Council and Boroughs and Districts was discussed by the Committee, as it was agreed that it was beneficial for refuse collectors to assist in clearing snow and gritting pavements, if possible, as they are provided grit by the County Council. Additionally, Parish Councils were able to purchase and install grit bins on public highways.
5. The Asset Planning Group Manager confirmed that there had been a strategic review and a planned route for gritters had been formed. It was felt that the current salt barns were sufficiently local to operate across the county.
6. The Committee confirmed that residents were able to clear footpaths and would not be liable for accidents if they swept snow away. The general 'rule' was that as long as their actions did not make the area any more dangerous than it was before, they would not be held responsible for any incidents.

##### **Recommendations:**

The Select Committee endorses the recommendations as set out in the report to Cabinet. That:

1. The recommendations of the Winter Performance Task Group and the Winter Service Plan be approved by Cabinet.
  - a. The 2012.13 Gritting Route Network be maintained for the 2013/14 winter season, while also incorporating minor amendments resulting from Member, resident and officer feedback and the new Surrey Priority Network (SPN).
  - b. A process for the Highways Service to access additional funding in the case of a sustained severe winter event be put in place.
  - c. Property Services investigate and report on the viability of repairing or replacing the salt barn at Merrow Depot and the optimum capacity to meet current operational requirements.
  - d. Beare Green Depot remains available as a key resource for use during severe weather events.
  - e. Communities are permitted to purchase additional grit bins at a total cost of £1,040 for a 4 year period while Parish Councils and other statutory bodies may be licensed to install grit bins on the public highway.
  - f. The trial of alternative vehicles for use on hills, narrow routes and estate roads etc. is continued during the 2013/14 winter season.
  - g. The Surrey Winter Service Plan 2013/14 be approved.
  - h. Approval of any future amendments to the Surrey Winter Service Plan be delegated to the Cabinet Member for Transport, Highways and Environment and the Assistant Director, Highways.
2. Cabinet provides a response to each recommendation confirming the agreed outcomes.

**Actions/further information to be provided:**

None.

**Committee next steps:**

The Committee to continue to scrutinise the performance of the Winter Service and for the Winter Maintenance Task Group to reconvene in Spring 2014 to consider the Winter Service for 2014/15.

**48/13 DATE OF NEXT MEETING [Item 11]**

It was noted that the next meeting of the Environment & Transport Select Committee would be held on 23 October 2013 at 10am and that there would be a private E&I budget workshop during the afternoon.

Meeting ended at: 1.05 pm

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**Chairman**

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**CABINET MEMBER RESPONSE TO ENVIRONMENT & TRANSPORT SELECT COMMITTEE****PETITION – ADOPTION OF FORTY FOOT ROAD****Select Committee Recommendations**

- a. That the issues raised by the petition be referred to the Cabinet Member for Transport, Highways and Environment.
- b. That the Environment and Transport Select Committee receive an update regarding the outcome of an officer assessment of potential repairs for Fortyfoot Road at a future meeting.

**Response**

I would like to thank the Environment and Transport Select Committee for forwarding this petition to me. In response to the concerns of the local residents, I asked officers to bring forward a report, including an assessment of potential repairs to Forty Foot Road, to my decision making meeting on 9 October 2013. I would like to thank the Chairman, Mr David Harmer, for his cooperation in enabling a full report and recommendations to be considered at that meeting so that the issue could be resolved positively.

In recognition of the exceptional circumstances presented by the almost exclusive use of a section of this road by a high number of community and public services and the receipt of financial contributions from other stakeholders to facilitate the works, I agreed at the meeting that:

- highway reconstruction and drainage works would be carried out in Forty Foot Road (as set out in the report to the meeting and attached as Annex 1 to this response) using the identified funding
- Surrey County Council would adopt the main section of Forty Foot Road serving the public services located on the road following the completion of the above highway works to ensure the road meets the required adoptable standard.

These actions will improve this section of road, ensure its long term maintenance and thereby help the schoolchildren and vulnerable people in Surrey's care who use the road regularly.

Officers anticipate that the works will be carried out by February 2014 at the latest. I have asked that discussions be held with the local school to see if an earlier programme of works can be scheduled without disruption to the school term.

**Mr John Furey**  
**Cabinet Member for Transport, Highways and the Environment**  
**9 October 2013**

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### Highways reconstruction and drainage works

	Main Access Rd	Gyratory System
Road Surface	Major weaknesses in road base, requires full reconstruction. <b>Cost £90,000</b>	No major weaknesses identified, minor patching and water proof only <b>£10,000</b>
Footway	Major weakness in key sections require full reconstruction <b>Cost £20,000</b>	No issues identified
Drainage	Potential system weakness with capacity not complying with current highway standards. However, review confirms no immediate risk of failure and thus recommends deep clean only, with ongoing risk monitored <b>Cost £5,000</b>	Existing drainage systems not connected as single unit, requires new pipes to connect all gullies into single system to remove ongoing risk of surface water <b>£25,000</b>
Streetlights	Lights recently upgraded as part of PFI upgrade, no issues identified	Lights recently upgraded as part of PFI upgrade, no issues identified
<b>Total</b>	<b>£115,000</b>	<b>£35,000</b>

### Financial contribution breakdown by organisation

Organisation	Funding Contribution
SCC Grant Contribution	£110,000
Mole Valley District Council	£25,000
Kier Grant Contribution	£15,000
<b>Total</b>	<b>£150,000</b>

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**ENVIRONMENT & TRANSPORT SELECT COMMITTEE  
ACTIONS AND RECOMMENDATIONS TRACKER**

The recommendations tracker allows Committee Members to monitor responses, actions and outcomes against their recommendations or requests for further actions. The tracker is updated following each Committee. Once an action has been completed and reported to the Committee, it will be removed from the tracker.

<b>Date of meeting</b>	<b>Item</b>	<b>Recommendations/Actions</b>	<b>Achieved or still outstanding?</b>	<b>Deadline</b>	<b>Responsible Officer:</b>
19 July 2013	Questions and Petitions [Item 4]	That the issues raised by the petition be referred to the Cabinet Member for Transport, Highways and Environment and the Committee receive an update regarding the outcome of an officer assessment of potential repairs to Fortyfoot Road.	Achieved.  The petition was considered by the Cabinet Member during his meeting in October 2013. A response is attached within this agenda.	October 2013	Scrutiny Officer/ Cabinet Member
19 July 2013	Progress towards implementing the Community Infrastructure Levy (CIL) [Item 9]	That Local Committees are requested to consider how they might best combine some of their capital allocation with other available funding, such as CIL, in order to maximise the impact on local transport issues and problems.	Outstanding.  The Committee has submitted this recommendation to the next meeting of Local Committee Chairmen and is awaiting a response.	October 2013	Scrutiny Officer/Local Committee Chairmen
11 September 2013	Winter Service Review/Report of the Winter Maintenance Task Group [Item 10]	That the recommendations of the Winter Performance Task Group agreed at the meeting on 11 September, be approved by Cabinet.	Achieved.  All recommendations were approved by Cabinet at its meeting on 24 September.	September 2013	Scrutiny Officer/ Cabinet

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## Environment and Transport Select Committee Work Programme

**23 October 2013**

Item	Purpose	Contact Officer	Comments
Briefing: Surrey Highways Permit Scheme	To give Members oversight of the proposed permit scheme for utility works on the Council's highways, prior to launch on 11/11/13.	Kevin Orledge	Briefing
Countryside Management Task Group: update report	To consider a second progress update regarding implementation of the Task Group's recommendations, which were agreed by Select Committee on 06/03/13.	Lisa Creaye-Griffin	Report
Internal Audit Report: Highways Contracts Lot 5 – Highway Flood Prevention	To consider the conclusions of the recent internal audit of the highway flood prevention contract and to suggest any further actions as required.	Jason Russell	Report
Surrey Future	To allow Member input to the Council's Surrey Future initiative.	Hannah Philpott	Presentation
Surrey Highways Peer Review	To consider the findings of a recent peer review undertaken for Surrey Highways.	Jason Russell	Report

**28 November 2013**

Item	Purpose	Contact Officer	Comments
Surrey Cycling Strategy	To scrutinise proposals for a Surrey Cycling Strategy and policy for the management of major public events, prior to Cabinet approval.	Rhian Boast Lesley Harding	Report  Meeting with Communities Select Committee.

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**12 December 2013**

Item	Purpose	Contact Officer	Comments
Community Recycling	To inform the Committee of current initiatives and programmes in relation to recycling in Surrey, and to seek Member feedback on the Council's recycling improvement plan.	Justin Foster	Report
E&I Customer Satisfaction and Performance	To review current performance levels in the E&I Directorate and to consider progress towards KPIs and service targets.	Nick Hinds	Report
Gully Cleaning	To consider the Council's approach to gully maintenance, including prioritisation, challenges and costs.	Lucy Monie	Report
Road Safety Review	To consider the most recent annual road safety figures for Surrey, and for Members to propose appropriate actions as required.	Duncan Knox/Lesley Harding	Report
Tree Maintenance	To receive an update as to the Council's tree maintenance policy, specifically with regards to proposed devolvement to Districts and Boroughs.	Lucy Monie	Report

## Environment and Transport Select Committee Work Programme

### 23 January 2014

Item	Purpose	Contact Officer	Comments
CIL update report	To review progress on the adoption of district and borough core strategies and CIL, and the degree to which available CIL funding is being used to help finance transport infrastructure.	Paul Sanderson/Hannah Philpott	Report
Utilities Task Group: update report	To consider progress towards, and outcomes from, the recommendations of the Utilities Task Group submitted to Committee on 10/01/13.	Lucy Monie	Report

### 13 March 2014

Item	Purpose	Contact Officer	Comments
Countryside Transformation Programme	To consider a progress update regarding implementation of the Countryside Management Task Group's recommendations.	Lisa Creaye-Griffin	Report
Lower Thames Flood Alleviation Strategy (FAS)	To seek the Committee's input for the Lower Thames FAS, and to consider where further areas of scrutiny are required.	Lesley Harding	Report
Operation Horizon – project update	To inform the Committee of current progress with Operation Horizon, and to update Members as to the schedule for future schemes.	Mark Borland	Report
Proposals for Development of a Longer-Term Approach to Management of Highways	To scrutinise the Highways service's proposals for long term management of Surrey's roads.	Jason Russell	Report

### 24 April 2014

Item	Purpose	Contact Officer	Comments
Utilities Permit Scheme: update report	To monitor performance of the Council's permit scheme following implementation in November 2013.	Kevin Orledge	Report

### 12 June 2014

Item	Purpose	Contact Officer	Comments
Operation Horizon – 12 month review	To scrutinise the annual performance of the Council's highways contractor Kier, including achievement of targets and objectives.	Mark Borland	Report

#### Items for 2014 to be scheduled:

Aviation  
 Basingstoke Canal  
 Cabinet Member Priorities  
 Flooding  
 Highways – Organisational Development Strategy



## Environment and Transport Select Committee Work Programme

Long-Term Plan for Waste  
Major Schemes  
Road sign decluttering  
Sustainable Transport

### Task and Working Groups:

Page 21

Community Infrastructure Levy (CIL) Member Reference Group	Mark Brett-Warburton (Spokesperson) Pat Frost Vacancy	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.  Progress updates in relation to the implementation of CIL in Districts and Boroughs will be presented to the Select Committee on regular basis. An update report from officers will be considered in January 2014.
Improving the Coordination and Quality of Work of Utilities Companies	Pat Frost (Spokesperson) Mike Bennison Stephen Cooksey Michael Sydney	To form a series of recommendations that aim to improve the standard of, and level of disruption caused by, utility company street works in Surrey. Key objectives:  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 carried out by utilities companies.	The Task Group’s report was considered by Select Committee on 10 January 2013 and Cabinet on 5 February 2013.  An update report regarding progress towards implementation of the Task Group’s recommendations will be considered by the Select Committee in January 2014.
Winter Maintenance	Stephen Cooksey (Spokesperson) David Goodwin David Harmer	To provide scrutiny and oversight of Surrey’s annual Winter Maintenance policy.	The Task Group met in July 2013 to scrutinise the proposed Winter Maintenance policy for 2013/14. Its comments were incorporated into the final report, which was considered by Select Committee and approved by



## Environment and Transport Select Committee Work Programme

9

			<p>Cabinet in September 2013.</p> <p>The Task Group will reconvene in the spring of 2014 to consider the Winter Maintenance policy for 2013/14.</p>
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## Environment & Transport Select Committee

23 October 2013

8

### Highways Strategic Peer Review

**Purpose of the report:** Scrutiny of Services and Budgets

To update the Select Committee on the recommendations of the Strategic Peer Review, the actions taken to date in response, and the planned next steps

#### Introduction

- 1 The Strategic Peer Review was 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 six local authorities and a representative from the Contractors term maintenance association, the HTMA.
- 2 Surrey were the first Council to undertake the review, and it has subsequently being used by Blackpool, Oxfordshire and Cambridgeshire to help them improve their services.
- 3 The focus of the Surrey peer review was the improvement proposals that were presented to Select Committee and approved by Cabinet earlier this year, including the five-year Capital programme, changes to the Surrey Priority Network, changes to reactive maintenance and inspections, and the planned introduction of the Permit Scheme.
- 4 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
- 5 The team were in Surrey from 14 November to 16 November 2012, and in those three 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 16 November.

- 6 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.

### Recommendations of the Strategic Review and Actions Taken

- 7 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 (now Kier)
  - There is a clear direction of travel; a key focus of this is a shift from a short term, reactive approach to a 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
- 8 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
- 9 In response to the recommendations of the review, an action planning workshop was held on 11 February 2013. The senior management teams from Surrey Highways and Kier attended the workshop, as well as the peer review team to provide external challenge. This workshop explored the following issues in response to the recommendations made by the review team:
  - Are we clear about the purpose of the new approach?
  - Is the message clear across the organisations?
  - Is there clarity of expectations & ownership of roles
  - Does openness, honesty & trust underpin collaboration?
  - Do we have the right skills and capabilities?
- 10 A number of key actions were agreed at the workshop, predominantly focussing on ensuring we are clear about the vision and the outcomes sought for highway

services in Surrey; improving communication both internally and externally; ensuring we understand the risks and challenges we face in achieving the desired outcomes; and developing our organisational capability.

- 11 Further details on our response to these issues is set out below

### **Integrated Team Working**

- 12 A key issue raised in the peer review was the effectiveness of our working with our contractors and suppliers. To improve joint working and early contractor involvement two integrated teams have been formed, that will work together to deliver Capital and Revenue activities. These teams will initially focus on:
- Operation Horizon – this team was formed in June this year, and brings Surrey, Kier, Aggregate Industries and Marshalls staff into a single unit to deliver the Horizon programme.
  - Safety Defects – we are currently consulting with staff on a team structure for managing the safety defects service, which will be implemented once the transition to a five-day response has been approved.
- 13 We intend to undertake formal reviews of the effectiveness of these two areas after 12 months of operation. For Operation Horizon, this will be in June 2014, and for safety defects it will be in October 2014.

### **Customer Service Excellence**

- 14 The peer review highlighted the need to improve communication, both internally and externally. This issue has also been raised as a key issue by members, including the Select Committee.
- 15 To ensure this issue is addressed properly, we are using the Customer Service Excellence standard to provide a framework for improving our customer service, including internal and external communication.
- 16 A report on the Customer Service Excellence project is due to be presented to Select Committee in December 2013.

### **People Strategy**

- 17 A key recommendation of the peer review was that we need to consider whether we have the capability within our organisation to deliver our plans, and we have therefore undertaken organisational development analysis to evaluate this further.
- 18 This analysis was informed by the recommendations of the peer review and the action planning workshop, a number of workshops run with groups of staff and a questionnaire completed by Group Managers and Team Leaders.
- 19 An organisational development plan has been developed, which focuses on six key areas:
- Culture
  - Leadership and management

- Communication and engagement
- Skills and competency
- Staff and opportunities (including succession planning)
- Customer service (as part of the Customer Service Excellence project)

### Next Steps – Developing a longer term vision for highways

- 20 The key vision that underpins our approach is ‘less reactive, more planned’. In March Cabinet approved two significant proposals to implement this vision, these were Operation Horizon, our five-year Capital Maintenance Programme, and a change in response time for safety defects from 24 hours to five days to improve the quality of repairs. The proposals that have been detailed above will help ensure that we are able to deliver these changes effectively.
- 21 Our proposals for a five-year programme have enabled us to achieve significant efficiencies and improvements in service delivery, however evidence from other sectors, most notably the Water sector, indicates that a longer term plan could potentially provide additional benefits.
- 22 To further explore the opportunities this could bring, Surrey have worked with Infrastructure UK, using their ‘Infrastructure Procurement Routemap’, to consider a 15-year plan for the management of the highway network. Infrastructure UK were established within Treasury to improve the way both the public and private sectors in the UK manage infrastructure. They have developed the routemap to assess the readiness of an organisation to construct new infrastructure, or to significantly change the way they manage their existing infrastructure. Surrey are the first Council to apply the routemap to highway services, and this has provided us with a robust mechanism to further test the observations made in the peer review.
- 23 As part of the routemap process, Infrastructure UK examined evidence about how we currently manage the highway network, including the outcomes of the peer review, and interviewed a number of people from within Surrey and across our supply chain. A two-day workshop was then held in July 2013, to feedback on the observations they have made, and to agree the key areas for focus for Surrey.
- 24 Infrastructure UK presented their findings to the Cabinet Member for Transport, Highways and Environment on 9 September 2013. Their recommendations will form the basis of an improvement programme that will enable us to plan our management of the network on a longer term basis, with the aim of achieving greater effectiveness and efficiency.
- 25 The key areas that Infrastructure UK identified as being essential to achieve our vision were:
- Consultation and lockdown of requirements and outcomes;
  - Development of a robust business case;
  - Establishment of a clear and empowered governance structure to support communication and timely decision-making;
  - Moving toward a better understanding of the asset;

- Embedment of an appropriate asset management strategy;
- Development of a Programme execution plan and a programme management approach, with clear outcomes and measures;
- Increased understanding of the current and required workforce capability and the establishment of the right interfaces and relationships
- Realistic planning and budgeting for resource development.

26 It is proposed that a detailed report on the outcomes of the routemapping, and the proposals for a longer term vision for Surrey Highways, be presented to Select Committee in early 2014.

**Financial and value for money implications**

27 Financial and value for money implications will be considered as the longer term proposals are developed further.

**Equalities Implications**

28 Equalities implications will be considered for each of the projects detailed above when recommendations and decisions are made.

**Risk Management Implications**

29 The approach set out in this paper is judged to be the most effective way for Surrey to manage the risks associated with its duties as a highway authority.

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

30 None

**Recommendations**

That the Select Committee endorses the approach set out in this paper, and that more detailed scrutiny is given to the following individual proposals at the dates set out below:

- Customer Service Excellence (December 2013)
- Proposals for development of a longer-term approach to management of highways (February 2014)
- Review of first 12 months of Operation Horizon (June 2014)
- Review of first 12 months of new approach to safety defects (October 2014)

**Next steps**

The service will continue to develop and implement the proposals set out in this paper.

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**Report contact:** Jason Russell, Assistant Director Highways

**Contact details:** 020 85417102, [jason.russell@surreycc.gov.uk](mailto:jason.russell@surreycc.gov.uk)

**Sources/background papers:**

Presentation given by peer review team to Cabinet Member, Strategic Director and Assistant Director



## **SURREY COUNTY COUNCIL AUDIT REPORT**

### **Highways Contracts**

#### **Lot 5 – Highway Flood Prevention Contract**

**2012/13**

Prepared for: Jason Russell, Assistant Director Highways  
Tony Casey, Highways Maintenance Team Manager

Prepared by: Diane Mackay, Audit Performance Manager

Sue Lewry-Jones  
Chief Internal Auditor  
Surrey County Council  
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**June 2013**

**Additional circulation list:**

External Audit	Grant Thornton UK LLP
Responsible manager's level 4 report.	Lucy Monie
Service Finance Manager	Tony Orzieri
S151 Officer	Sheila Little
Strategic Director	Trevor Pugh
Risk and Governance Manager	Cath Edwards
Audit and Governance Committee	All
Cabinet Member Transport and Environment	John Furey
Chairman of Environment and Transport Select Committee	David Harmer

**Glossary:**

SPN	Surrey Priority Network hierarchy for road classification
Divers	Remote monitoring and reporting device for water levels
RoadZone	Sharepoint repository for sharing documents with May Gurney
Trimbles	Handheld device to electronically record work/position
Maximo	May Gurney system for managing work orders

**Audit opinions:**

<b>Effective</b>	Controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
<b>Some Improvement Needed</b>	A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.
<b>Major Improvement Needed</b>	Numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met.
<b>Unsatisfactory</b>	Controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met.

**1. INTRODUCTION**

- 1.1 In November 2010 Cabinet approved the award of contracts for highway maintenance and construction within Surrey in seven discrete lots. Lot 5 covering highway flood prevention was awarded to May Gurney and commenced in April 2011. The service of cleansing and jetting over 159,000 drainage gullies and soakaways is provided by May Gurney's sub contractors ACL with minor works carried out by May Gurney's in-house gangs. A programme of works was produced for 2012/13 with an estimated cost of £2.172m.
- 1.2 The audit was undertaken in line with the agreed 'Terms of Reference' attached at Annex A and this report sets out the findings of the audit of lot 5. An audit report on lot 3 – highway construction and resurfacing was issued in May 2013 and a follow up audit on lot 1 – will be issued in June 2013. The agreed Management Action Plan is attached as Annex B.

**2. WORK UNDERTAKEN**

- 2.1 Discussions were held with officers and contractor representatives to understand and document the processes in place to meet the following control objectives for lot 5.
- Management processes in place to review quality and performance, and monitor the progress of work;
  - Adequate documentation to support all amounts invoiced;
  - Official orders exist for all work invoiced;
  - Adequate approval process to authorise payments; and
- 2.2 The auditor also checked to ascertain whether the controls in place are effective and working as expected.

**3. OVERALL AUDIT OPINION AND RECOMMENDATIONS SUMMARY**

- 3.1 **Some Improvement Needed** - A few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.

**3.2 Recommendation analysis**

Rating	Definition	No.	Para. Ref.
High	Major control weakness requiring immediate implementation of recommendation	3	5.11,5.12, 5.16
Medium	Existing procedures have a negative impact on internal control or the efficient use of resources	2	5.6,5.21
Low	Recommendation represents good practice but its implementation is not fundamental to internal control	2	5.17,5.26
<b>Total number of audit recommendations</b>		7	

**4. MANAGEMENT SUMMARY**

- 4.1 Overall the current monitoring of the contract is largely effective in ensuring that the service is being provided but Surrey County Council was slow to move to the issue of an early warning notice in September 2012, whereby the contract was placed under special measures with an agreed action plan. Contract performance has been an issue in the past with the sub-contractor given extra time to complete the scheduled cleaning for 2012/13. The sub-contractor on the contract is being replaced. The weekly inspections carried out by the Maintenance Engineers have highlighted some poor or delayed performance and is an area that would benefit from strengthening.
- 4.2 The retendering of the sub-contract and mobilisation of a new sub-contractor will need careful management in order to maintain the level of information and service currently being received.
- 4.3 The use of remote monitoring equipment in soakaways is an innovative approach by the Asset Planning team that could be improved further by better communication to the maintenance engineers.
- 4.4 In view of the above findings, set out in more detail in section 5 of this report, the Internal Audit opinion is therefore “**Some Improvement Needed**”.

**5. FINDINGS AND RECOMMENDATIONS**

**Contract**

- 5.1 The Highways Lot 5 contract is entitled “Flood Prevention” and was awarded to May Gurney following a joint presentation with their sub-contractor ACL. The contract began in April 2011.
- 5.2 The contract was set up without stipulating when drainage assets are cleaned but with the aim that all SPN1 and SPN2 routes do not contain more than 50% silt and SPN3 routes do not contain more than 75% silt at any time. May Gurney indicated that in year 1 the sub-contractor would clean all the gullies in order to validate the silt information provided under the previous East and West contracts. This would identify the frequency of cleaning that was needed to maintain the level of compliance agreed in the contract, thus providing a more focussed and effective service. This is necessary because there was a reduction in the annual lump sum payment for the contract after year 1.
- 5.3 The contract includes key performance indicators but does not include any financial penalties for finding higher than acceptable silt levels. The operational KPI’s are:

% of Gullies cleaned each month compared to the agreed programme	88%
% of working time compared to programmed time	95%
% of gullies free running after cleaning	97%
% of gullies cleaned at first visit	94%
Information provided to client on a weekly basis.	98%
% of data maintained correctly within information systems	98%

The key performance indicators for the contract are also being reported for the year to date in order to show progress against the backlog of work.

## Operations

- 5.4 Throughout the contract there have been weekly operational meetings with the contractor and sub-contractor and monthly core group meetings with the contractor which have both been minuted. There are several elements to the service with lump sums to cover the normal cleansing of gullies and soakaways and the provision of a jetter, and specific orders for minor works; additional jetting; and, traffic management for high speed roads. The total budget for drainage maintenance for 2013/14 is £2.854m, and is an approximate 50% split between the lot 5 contract and drainage repairs and ditching works ordered through lots 1 and 8 respectively. Orders are placed via Maximo and payments are generated as part of the bill batch process. It was observed that traffic management for high speed roads was fully utilised by grass cutting, litter picking and road sweeping at the same time as gully emptying. The team was reduced to three with a vacancy in April 2012 but a review of staffing levels that took place in summer 2012 as part of Re-thinking Surrey Highways has increased the team to six.

### Year 1 (2011/12)

- 5.5 In its first year of operation, the contractor was to provide a means of mapping the cleansing of gullies, soakaways and other drainage assets. ACL was using NAVMAN (vehicle tracking) to track/monitor progress; however the accuracy of the GPS was not sufficient to exactly pinpoint the asset cleaned or record the level of silt found. The overall number of assets cleansed for 2011/12 was recorded as 121,672 which were 94.8% of the number of assets scheduled to be cleaned.
- 5.6 The contract was required to introduce remote monitoring of wetspots so that early warning of issues could be achieved. The use of “divers” in soakaways has been introduced to remotely monitor the effectiveness of the soakaway. This innovation was introduced by the Asset Planning team to more accurately identify those soakaways in need of remedial works and thus save on costly investigations. It would, however, be helpful for the Maintenance Engineers and cleansing contractor to be made aware of the location and operation of the monitoring devices so that work can be programmed more effectively and the instruments are not inadvertently damaged.

### Recommendation

It is recommended that the Asset Planning Team ensure the Maintenance Engineers are aware of the location and operation of “divers” so that work can be programmed more effectively and the instruments are not inadvertently damaged. (Medium)

### Year 2 (2012/13)

- 5.7 The contractor agreed to use Trimble from April 2012 for recording the location of the asset and the level of silt found. Trimble are also used by May Gurney highway gangs to record the position of work completed or work required.
- 5.8 In the first half of the second year the sub-contractor was failing to meet targets due to a reduction in the number of vehicles used on the contract. May Gurney had requested a map to use for plotting the assets and this became a source of conflict between the parties as it was envisaged that the contractor would provide this facility. The data from the Trimble was being provided by the contractor but was not in a useable format for the Asset Planning Group and therefore could not initially be plotted as required by the contract.

## Internal Audit

### Highways Contracts Lot 5 – Highways Flood Prevention - 2012/13

5.9 In September 2012, an early warning notice was issued to May Gurney and the contract was placed under special measures with an action plan agreed. May Gurney, as a result, improved the management of its sub-contractor by bringing in new staff to focus on the issues and the contract started to catch up on the backlog of cleansing. Since September, there have been bi-monthly action plan meetings to monitor the contract performance. The sub-contract is currently being retendered by May Gurney.

#### Risk

5.10 The replacement sub-contractor may not provide a better service.

#### Recommendation

5.11 The sub-contract should be reviewed in the light of the lessons learned to ensure it meets Surrey's contract requirements. (High)

5.12 The new sub-contractor should be closely monitored to ensure that the service improvements over the past six months are not lost. (High)

### **Contract Monitoring**

5.13 The sub-contractors are being monitored by the Highways Maintenance Team. The vehicles are stored at Merrow depot, and therefore CCTV can be viewed to see which vehicles are in use. Since September, there have been daily whereabouts sheets for the sub-contractors which can be checked against the NAVMAN vehicle tracking system, however, this system is not always available to the team. The vehicle driver maintains a daily manual log of the roads visited, gullies cleaned and any access issues. The log is scanned and loaded on to RoadZone. The weekly download from the Trimbles is being provided as an outcome report; providing information on assets cleansed or problems identified, such as blocked outfalls or jammed lids, to enable additional jetting to be scheduled or raise minor works orders to investigate blockages or free jammed lids. In a sample of five of the outcome reports provided on the assets cleansed it was noted that an average of 8.2% of the assets exceeded 75% silt levels, thus failing to meet the required standard under the contract.

5.14 There is a programme of weekly audit inspections carried out by the Highway Maintenance Team to check a sample of roads in an area, with different Boroughs and Districts targeted each week. A sample of the site visits were examined and included a detailed inspection of gullies selected from the daily whereabouts sheets as well as a Health and Safety review of working practices if a crew was observed at work. The sample had less than a 50% pass rate. The results of this testing is reported to the weekly operation meetings with the undertaking that the sub-contractor will make sure that the failed gullies are cleaned properly. There is, however, no follow up on the failures which is a significant weakness given that all other monitoring of the contract is provided by the contractor.

#### Risk

5.15 Drainage assets may not be cleansed as expected leading to localised flooding in heavy rain.

#### Recommendations

5.16 It is recommended that procedures to follow up cleansing failures are put in place to ensure they are not overlooked or ignored. (High)

5.17 It is recommended that consideration is given to using the results of the site visits to inform the KPI on the % of gullies cleaned at first visit. (Low)

**Progress of programme**

- 5.18 The sub-contractor had not completed the annual programme of work by the end of March and was therefore granted a one month's extension to finish this work. As a result contract payments are being retained until the work programme is up to date.

**Asset Planning**

- 5.19 The Asset Planning team have been able to plot the Trimble data on drainage assets on the county's GIS mapping system since December 2012. All drainage assets have been mapped and are being used for the public reporting of problems via the external website. It is possible to review the map for information on cleansing; however this data is not available to the operational side of the Highways Service. Wider access to this data would be beneficial.

Risk

- 5.20 There may be duplication of effort where operational requirements cannot be met from existing information

Recommendation

- 5.21 It is recommended that consideration is given to enabling wider access to Asset Planning data where it will support operational areas. (Medium)

**Other contributors to flooding**

- 5.22 There are other assets that contribute to localised flooding that do not belong to the county, such as ditches and structures. The vast majority of ditches are on private land and are therefore the responsibility of the land owners.
- 5.23 Under the Flood and Water Management Act 2010 the county has the responsibility for providing strategic management of local flood risks with Maintenance Engineers taking on the role of investigating significant flooding issues. The county is also responsible for a register of structures which can have an effect on flood risk management in Surrey. The Community Highways Officers are now working with the Maintenance Engineers to identify where private ditches are contributing to the risk of flooding. This approach is currently under development.

**Disposal of waste materials**

- 5.24 There is a KPI for the disposal of waste arising from gully cleansing relating to the percentage of waste diverted from landfill. As at December 2011 it was recorded that between 30-60% was able to be composted. The target was due to be jointly agreed during the first six months of the contract based on industry standards and an assessment of the actual waste generated. This has yet to be agreed and may need to be reconsidered as a KPI.

Risk

- 5.25 Lack of a minimum acceptable standard of performance could result in poor contract performance.

Recommendation

- 5.26 It is recommended that the KPI on the diversion of waste from landfill is reviewed and agreed with the contractor. (Low)

**Conclusion**

- 5.27 Overall, the review of contract management has shown that the contract has not achieved its aspirations; however, its management is now largely effective and is providing the data necessary to facilitate this.

**6. ACKNOWLEDGEMENT**

- 6.1 The assistance and co-operation of all the staff involved was greatly appreciated.



## TERMS OF REFERENCE

### Highway Contract Management 2012/13

#### BACKGROUND

In November 2010, Cabinet approval was given to award contracts for Surrey Highways maintenance and construction in seven lots. The new contracts were awarded to May Gurney Infrastructure Services, Tarmac, Wilson & Scott and Glendale Managed Services and began in April 2011.

The core maintenance contract awarded to May Gurney was reviewed in 2011/12, and this audit will follow up the progress on management actions. In addition this audit will review lot 5, the gully emptying contract awarded to May Gurney, and lot 3, the major maintenance contract awarded to Tarmac.

#### PURPOSE OF THE AUDIT

To ascertain whether controls are in place to ensure effective management of the contract, including the management of key performance indicators, ordering and approval of work, accruals, budgetary control and the adequacy of the management trail for payments.

#### WORK TO BE UNDERTAKEN

Follow up progress against management actions arising from audit of lot 1 core maintenance contract awarded to May Gurney. Discussions with officers and contractor representatives to understand and document the processes in place to meet the following control objectives for lots 3 and 5.

- Management processes in place to review quality and performance, and monitor the progress of work;
- Adequate documentation to support all amounts invoiced;
- Official orders exist for all work invoiced;
- Adequate approval process to authorise payments; and
- Scheme works are adequately communicated, monitored and documented in a timely manner.

Audit testing to ascertain if the controls in place are effective and working as expected.

#### OUTCOMES

The findings of this review will form a report to Surrey County Council management, with an overall audit opinion on the effectiveness of systems in place and recommendations for improvement if required. Subject to the availability of resources, and the agreement of the auditee, the audit will also seek to obtain an overview of arrangements in place for:

- Data quality and security;
- Equality and diversity;
- Value for Money;
- Business continuity, and
- Risk management.

The outcome of any work undertaken will be used to inform our future audit planning processes and also contribute to an overall opinion on the adequacy of arrangements across the Council in these areas.

## REPORTING ARRANGEMENTS

Auditor: George Atkin  
Supervisor: Diane Mackay  
Reporting to: Jason Russell, Assistant Director, Highways  
Audit Ref: A03900 / 2012/13

## MANAGEMENT ACTION PLAN

<b>Directorate:</b>	Environment and Infrastructure
<b>Audit report:</b>	A03900/BF2013/14 - Highway contract management - Lot 3
<b>Dated:</b>	11 June 2013

**PRIORITY RATINGS**

**Priority High (H)** - major control weakness requiring immediate implementation of recommendation

**Priority Medium (M)** - existing procedures have a negative impact on internal control or the efficient use of resources

**Priority Low (L)** - recommendation represents good practice but its implementation is not fundamental to internal control

I agree to the actions below and accept overall accountability for their timely completion. I will inform Internal Audit if timescales are likely to be missed.

The auditor agrees that the actions set out below are satisfactory.

Lead Responsible Officer: Jason Russell, Assistant Director Highways

Auditor: Diane Mackay

Date: 13 June 2013

Date: 13 June 2013

Para Ref	Recommendation	Priority Rating	Management Action Proposed	Timescale for Action	Officer Responsible	Audit Agree?
5.6	The Asset Planning Team (APT) to ensure that Maintenance Engineers are aware of the location and operation of "divers" so that work can be programmed more effectively and the instruments are not inadvertently damaged.	M	APG to discuss and agree (with divers or other equipment) with Highways Maintenance Team: <ul style="list-style-type: none"> <li>for review / inclusion in cleaning programme;</li> <li>for discussion with the Local Highways Teams (Maintenance Engineers).</li> </ul>	End of July 2013.	Owen Lee	Yes
5.11	The sub-contract should be reviewed in the light of the lessons learned to ensure it meets Surrey's contract requirements.	H	Ensure review of any 'lessons learned' with May Gurney during the demobilisation / mobilisation process.	Completed.	Lucy Monie	Yes

MANAGEMENT ACTION PLAN						
Para Ref	Recommendation	Priority Rating	Management Action Proposed	Timescale for Action	Officer Responsible	Audit Agree?
5.12	The new sub-contractor should be closely monitored to ensure that the service improvements over the past six months are not lost.	H	<ul style="list-style-type: none"> <li>Increase governance meetings during mobilisation and programme of site audits agreed.</li> <li>Review points agreed.</li> </ul>	<ul style="list-style-type: none"> <li>On-going and within first six months.</li> <li>Review six months with decision to escalate if necessary.</li> </ul>	Lucy Monie	Yes
5.16	Procedures to follow up cleansing failures should be put in place to ensure they are not overlooked or ignored.	H	Ensure the 'end-to-end' process includes revisit / follow up as appropriate.	On-going.	Tony Casey	Yes
5.17	Consideration is given to using the results of the site visits to inform the KPI on the % of gullies cleaned at first visit.	L	Include during next KPI review (auditing process).	January 2014.	Tony Casey	Yes
5.21	Consideration is given to enabling wider access to Asset Planning data where it will support operational areas.	M	New system being introduced by sub contractor. Explore how this will be rolled out to other service colleagues and wider (e.g. web view).	On-going.	Lucy Monie	Yes
5.26	The KPI on the diversion of waste from landfill should be reviewed and agreed with the contractor.	L	Review KPI at contract performance meeting and agree actions needed to agree baseline or include for review at next contract KPI review.	January 2014.	Lucy Monie	Yes



Environment and Transport Select Committee  
23 October 2013

## **Countryside Management Transformation Programme**

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

Following the Report by the Countryside Management Task Group, it was agreed that progress on the actions would be reported to the Select Committee in July and October 2013. The Output from the Task Group has now been developed into the Countryside Management Transformation Programme.

### **Introduction:**

1. A report was brought to the Select Committee on 19 July 2013 setting out the progress to date on the action that came out of the Countryside Management Task Group's Report. This committee report sets out the programme that has been developed from that action plan and the progress on key areas.
2. Appendix 1 sets out the broad outline of the Programme and the projects that make up that programme with progress to date. The key areas of work to report to this meeting of the Select Committee are the review of the Rural Estate, the progress on collaboration on Countryside Management across the County and the review of the Agreement with Surrey Wildlife Trust to manage the County Council's Countryside Estate.
3. Detailed discussions are about to start on Surrey Wildlife Trust's business plan for the Countryside Estate and in order to assist in providing advice on this and in assessing a more effective governance it is proposed to re-establish the Countryside Management Task Group to take on this focused piece of work. (Draft Terms of Reference for the Task Group are enclosed for discussion on page 53 of this agenda).

### **Review of the Rural Estate**

4. The Committee agreed at the last meeting that they would like a review of the Rural Estate to be carried out by an independent third party. This work has

been commissioned from Knight Frank following a call for quotes to the work from three rural surveying firms, Smiths Gore, Savilles and Knight Frank.

5. Knight Frank will assess the management of the Smallholdings Estate and the tenanted farms on the Countryside Estate. The latter are managed by Surrey Wildlife Trust so this will give us a comparison of the way the types of holdings are managed. Work will include assessing the level of investment, support for the tenants and the way the holdings are used. All the tenants are being surveyed via letter and a number of tenants have been selected at random for a more in depth interview to gain their opinion of the way the smallholdings are managed and what they would like to do with their holdings in the future.
6. The report is due to be completed at the end of October and reviewed in November.

### **Collaboration in Countryside Management**

7. A key aim of the transformation programme is to ensure that the Countryside Management Service can be continued across the County in this period of squeezed budgets. One way of achieving this is to work in a collaborative way with other organisations. The Cabinet Member for Transport and Environment and his Associate for Environmental Services hosted a meeting of chairmen of organisations that are involved in Countryside Management on 17 September.
8. Out of that meeting has come an agreement to meet again in November and develop closer working relationships on agreed priorities across the County. The paper that went to that meeting is attached at Appendix 2. The next stage is to agree a shared agenda across the County, to develop a strong and unambiguous communication strategy across all organisations and agree specific projects that can be achieved together.

### **Recommendations:**

9. That the Committee
  - a) Notes the progress to date
  - b) Comments on the proposed programme

### **Next steps:**

A further report will be brought to the Select Committee February 2014 setting out the progress.

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**Sources/background papers:**

Countryside Management Task Group Report: Report on Progress, report to ETSC on Friday 19 July 2013.

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Appendix 1  
**Countryside Management Transformation Programme**

<b>Project</b>	<b>Purpose/Aim</b>
<b>1: Revision of the SWT Agreement</b>	To review and amend the agreement between SCC and the Surrey Wildlife Trust (SWT) to ensure that the parties are achieving best value for the countryside estate and the public; and to review the financial formula and agree savings in the agreement price.
<b>2: Establishment of an Asset Management Plan for SCC' rural estate</b>	To develop and agree an Asset Management Plan for the land and properties not part of the revised SWT Agreement (i.e. Farms and small holdings)
<b>3: Establishment of the Surrey Nature Partnership (SyNP)</b>	To support the establishment of a robust organisation that can lead on strategic environmental matters across the County working with a range of organisations to establish policy and deliver , e.g. local authorities, and the LEPs
<b>4: Redefinition of SRP and Surrey Rural Strategy</b>	To review the role and purpose of the Surrey Rural Partnership and to review the Surrey Rural Strategy following the establishment of the Surrey Nature Partnership and closer collaboration between countryside management organisations in Surrey - - [This project will be defined once all other projects and in particular project 3 – establishing the SyNP – have made some progress]
<b>5: Establishment of a countryside communication plan for Surrey</b>	To increase public awareness, engagement, understanding and participation in the Surrey countryside.
<b>6: Leadership of the development of the wood fuel market in Surrey</b>	To co-ordinate the Council's endeavours in the potentially (but not automatically) mutually beneficial areas of 'woodland' opportunity, in particular woodland management on the county council estate (managed by Surrey Wildlife Trust), development of land available at freehold sites and the Council as a energy consumer.
<b>7: Support the establishment of the governance and management plan of the Surrey Hills AONB</b>	To Establish the AONB Unit with a more sustainable funding stream and reduce the County Council's revenue costs while ensuring local authority input into the delivery of the statutory duty (i.e. developing and reviewing the management plan) with regard to the AONB.
<b>8: Countryside Access Service Delivery Improvement Plan</b>	More efficient/effective management of all work flows associated with countryside access work and employ 'bank staff' to process landowner led diversion orders, where a clear public benefit can be gained and full costs recovered

<b>9: Establishment and approval of a business plan for the Basingstoke Canal</b>	To establish a clear plan for the future of the Basingstoke Canal that reduces or removes the impact on the taxpayer; investigates opportunities for income generation; achieves local economic benefit; manages risks and limits liabilities; and is based on robust analyses and appropriate stakeholder engagement.
<b>10: Identification and Establishment of plans for Surrey's Iconic Locations</b>	To identify sites and provide plans for developing the visitor facilities at those sites.
<b>11: Establish future SCC countryside management arrangements (including implementing the Countryside Management Project business plan), in line with E&amp;I Future objectives</b>	To provide to a more resilient structure/ range of structures that can attract enough income to ensure a sustainable future for Countryside Management in Surrey

<b>Countryside Transformation Programme October 2013 Update</b>			
<b>Project</b>	<b>Progress Last Month</b>	<b>Progress for Next Month</b>	<b>Issues and new/increased risks</b>
1: Revision of the SWT Agreement	Options discussed at Workshop with the Environment & Transport Select Committee on 27 September. Led to proposal to set up Task Group to focus on SCC's stewardship role of the Estate through the SWT agreement. The Task Group will lead to the development of a business plan for the countryside estate	Prepare report on options on how to improve visitor facilities (SWT) Set up SCC stewardship role Task Group Continue to develop options for governance, property, service delivery specification	None identified

2: Establishment of an Asset Management Plan for SCC' rural estate	The rural surveyors commissioned by EPM to review the way SCC's rural estate is managed have submitted an initial draft of their report. This needs further information and some rework.	Report due to be completed by the end Oct/beg. Nov. It will then be circulated for discussion on how the Rural Estate should be managed.	Rural surveyors have been delayed in their work. Should still be on target
3: Establishment of the Surrey Nature Partnership (SyNP)	SCC's role in relation to providing support to the SyNP has been agreed. SCC will provide funding for a part-time partnership support / assistant role and will provide some time from a project manager to plan and coordinate work once defined.	Run workshop to work through what the SyNP is trying to achieve (purpose and objectives) SyNP to draft job description for the part-time support role in order for SCC to start recruitment	SCC now agreed what support it will give to the Partnership but the type of work / contents of project is yet to be defined. This should be resolved with the forthcoming workshop. Although there is some delay in establishing the purpose of the Partnership, this is not expected to have an impact on having a business plan in Feb/Mar 2014.
4: Redefinition of SRP and Surrey Rural Strategy	This project will be defined once there is clarity about the role/purpose of the SyNP	The SRP is holding a meeting on 4 November to discuss the redefinition of its role / purpose.	none identified
6: Leadership of the development of the wood fuel market in Surrey	Wood chip and pellet boilers on SCC estate The first site for biomass boiler installation has been tendered, via the local M&E framework. They will sub-contract a biomass specialist. Woodland management by SWT of SCC woodlands	<b>Wood chip and pellet boilers on SCC estate</b> Tender response for Hazel House will be evaluated, with a view to contractor appointment. Discussions will be set up with potential fuel suppliers . <b>Woodland management by SWT of SCC woodlands</b> SWT and SCC will jointly develop	Biomass boiler procurement for SCC estate - the public sector has suffered an excessively high proportion of failures in biomass boiler installations. Wood fuel supply chain view is that this is due to public sector's heavy use of framework

	<p>SWT have identified three sites for wood storage to build up commercially attractive amounts of timber from non-commercial compartments where work is done in-house.</p> <p>SWT have purchased a trailer to enable in-house teams to conduct management to get compartments into a commercial state</p> <p>SWT have got approval from Natural England to amend work programme at Sheepleas (felling and thinning work to commence Nov 2013)</p>	<p>'estate productivity' targets /KPIs for inclusion in the SWT contract (<a href="#">link to Project 1</a>)</p> <p>SWT Woodland officer will assess further sites for wood resources to inform work programmes (<a href="#">link to Project 5</a>)</p> <p><b>Wood hub at Trumps Farm</b></p> <p>Potential tenants will be consulted on their preferences for schedule for development.</p> <p>Domestic fuel (logs) market development</p> <p>Scoping of potential marketing exercise with small woodland contracts, domestic wood stove installers and SWT, linked to Surrey housing stock analysis.</p>	<p>orders (used to avoid time consuming OJEU tendering) which has resulted in poor quality contractors being appointed. However, SCC is choosing to continue with this procurement route i.e. main contractor then sub-contracts, in order to meet other council priorities.</p>
7: Support the establishment of the governance and management plan of the Surrey Hills AONB	AONB Staff, Officers Working Group and AONB Board reviewing the Constitution of the AONB	AONB Board to make decision on Constitution revised text and draft review of the Management Plan on 16 <sup>th</sup> October The Constitution and Management Plan then goes out for Consultation	none identified
8: Countryside Access Service Delivery Improvement Plan	<p>(1) CAMS: Still awaiting resolution of contractual issues from Procurement and Legal Services</p> <p>(2) Bank staff for landowner-led diversion orders: Approval to recruit gained</p>	<p>(1) CAMS: Sign revised contract and reissue purchase order</p> <p>(2) Bank staff: Awaiting new recruitment portal tool 'Talent Link' to go live and then start process.</p>	<p>(1) CAMS: If contractual issues not resolved, commence procurement process again</p> <p>(2) Bank staff: None</p>
9: Establishment and approval of a business plan for the Basingstoke Canal	First draft of business plan written and distributed to key staff in SCC and HCC for comment - awaiting comments Mytchett Lake Embankment	<p>Engage with HCC and volunteer partners over procurement of telemetry equipment</p> <p>Agree with EPM contractor for Detailed Feasibility / Design of Mytchett site</p>	<p>No new risks – same as last month</p> <p>HCC not agreeing with or contributing to proposed approach for an income</p>

	<p>strengthening works - sheet piling completed and commencement of works to increase freeboard in line with EA requirements</p> <p>Agreed specification for Southampton Uni students further investigations following from initial Water Balance study in 2012</p> <p>Agreed with SCC Procurement Category Specialist framework for the delivery of the remainder of structural repairs / rehabilitation works over 2014-17</p> <p>Discussion with Woking Borough Council concerning planned development incorporating the Canal in Woking</p> <p>Working with Engineering and Procurement colleagues ensured that SCC section of Canal has emergency cover in place at end of existing term contract (BCA are not able to provide a stand-by emergency contractor under HCC procurement regime in Surrey - HCC contractors will not supply cover in Surrey)</p>	<p>redevelopment</p> <p>Exploratory meeting with Canal &amp; River Trust [30/10]</p> <p>Continue to work with Engineering and Procurement colleagues ensured that SCC section of Canal has emergency cover in place at end of existing term contract</p> <p>Scheduled management activities: Meeting with Canal Society [18/10], Conservation Steering Group [23/10], with EPM renegotiate terms of Mytchett site boat trip franchise [tbc]</p>	<p>generation led solution or wanting to divest themselves of the Canal before it can be made economically stable -</p> <p>Impact: Delay in implementing economic recovery solution, SCC and other partners incur additional costs</p> <p>Other Canal partners fail to make agreed contributions during recovery period</p> <p>Impact: BCA is unable to fulfil maintenance obligations, SCC / HCC incur additional costs</p>
<p>10: Identification and Establishment of plans for Surrey's Iconic Locations</p>	<p>Newlands corner: brief for site design competition drafted and being reviewed by Commercial</p>	<p>Newlands corner: finalise brief for site design competition and prepare for competition process</p>	<p>None identified</p>

	<p>Operations Manager at SWT          Other sites identified:          Leith Hill          Chatley Heath, Ockham</p>	<p>Rest of project: continue with site identification</p>	
<p>11: Establish future SCC countryside management arrangements (including implementing the Countryside Management Project business plan), in line with E&amp;I Future objectives</p>	<p>Countryside Management Partnerships Review:          Final draft business plan presented to Lower Mole members steering group          Revised JD's produced for new staff structure          Revised JD's taken to Hay Panel          Wider project: not defined yet</p>	<p>Countryside Management Partnerships Review: Reorganisation to take place as part of E &amp; I future consultation          Define wider project</p>	<p>Project needs defining</p>

## Appendix 2

### **Surrey Countryside Management Collaboration Group**

#### **Purpose of the Meeting**

All organisations have limited resources but we all value the countryside of Surrey, for its wildlife, landscape, economic value and its contribution to health and wellbeing. In the current financial climate we believe that by working together we can make a positive impact on the countryside of Surrey.

You were invited to this meeting as representatives of organisations and networks with an interest in countryside management and the future of Surrey with a view to developing a shared vision and identifying opportunities to collaborate. We are seeking your views on the ideas presented and exploring opportunities to work together. Appendix 1 gives two examples where we are currently embarking on collaborative projects.

#### **The County Council's Vision**

The County Council's vision for Countryside Management is being developed from the Task Group Review and includes:

- Conserving and enhancing the Countryside of Surrey
- Greater collaborative working with other organisations to maximise the impact of our limited resources.
- Surrey Nature Partnership becoming the lead strategic partnership for the Environment in Surrey feeding into the LEPs and other key networks.
- A better awareness and understanding of what Countryside Management is all about among visitors and residents. A combined understanding of the Environmental Education resource across the County.
- A strong brand or suite of brands for Surrey, to promote to visitors
- A better network of visitor facilities at Iconic sites across the County, e.g. Ockham and Wisley, Newlands Corner, Chobham Common, Leith Hill.
- Increased use of renewable energy in County buildings focusing on woodfuel to increase the economic viability of woodland management across the County and support the supply chain with sites for wood fuel production ("hubs")
- A Green Infrastructure strategy to link existing green space, and identify potential green space to ensure that development doesn't have a negative impact on the overall environment of the County and providing residents with easy access to green space and walking and cycling routes.
- A revised Surrey Rural Strategy led by the Surrey Rural Partnership.

## **What Surrey County Council is Offering**

The County Council currently spends a net budget of £2.5 million per annum directly on countryside management and access, including managing the Public Rights of Way Network. This includes 50 staff on full and part-time contracts delivering the service.

We can offer the Group

- An overview of Projects, collating what is going on across the County
- Communications and liaison with the public working through its existing structures
- Seeking collective funding opportunities' supporting bids
- Strategy setting with members of the Group
- Bringing key people together
- Information sharing

## **Challenges and Opportunities**

In managing the Countryside of Surrey there are a number of challenges however many of those present opportunities:

- Squeezed resources both people and cash could be combined across organisations to deliver projects and lead to more innovative ideas on how we use land and activities to generate an income and combine our resources to bid for funding
- Dealing with development and the economic growth agenda is an opportunity to look at new ways of planning our development to include open space and access to services, via routes for cycling and walking.
- The large resident population creates a demand for recreation and places to visit, research in 2012 valued the visitor economy in Surrey at £1.85 billion per year and highlighted areas of potential growth in the Basingstoke Canal, cycling, walking, cultural tourism, vineyards and golf courses. For example 4 million people live within 1 hours drive of the Basingstoke Canal.
- Proximity to London adds to congestion on the roads but Surrey's natural beauty makes the County popular for recreation including mountain biking and road cycling which has an economic benefit.
- Making the most of our land resource, opens up the opportunity to develop visitor facilities at key locations, such as the Iconic locations mentioned above. However this needs to be done in a strategic fashion to avoid sites being developed to the detriment of other sites.
- There is a relative lack of access to green space in the northern part of the County which is contributing to some of the health issues. Surrey as a whole has one of the highest areas of public accessible land in the Country and a large proportion of this is across the North Downs and Heathlands of the County, owned by the Forestry Commission (FC), Ministry of Defence (MoD), National Trust (NT), Surrey County Council (SCC), The Borough and District Councils, and Surrey Wildlife Trust (SWT) . This gives us an opportunity to see what we can do together to link these areas through a green space strategy providing corridors to give better access for people and better connectivity for wildlife.
- Perception of Surrey to visitors as London's playground, we now have the opportunity to build on existing brands and promote the County as more than the hinterland of London.
- A Population that is now largely urban, with a lack of understanding of countryside management, there are a number of environmental education initiatives, could we combine forces to deliver clear messages and spread our influence?



## Case Studies

Examples of how we are working together

### Newlands Corner Visitor Facilities

The current visitor facilities are outdated and don't make the most of the potential to tell the story of the site and generate an income. The site is owned by the Albury Estate, Surrey County Council (SCC) has an Access Agreement on the site, and Surrey Wildlife Trust manage the access on SCC's behalf. All three of these partners have invested in the current visitor facilities. The Surrey Hills Area of Outstanding Natural Beauty (AONB) has an interest in the site as a potential gateway to the AONB and Guildford Borough Council are the planning authority. A small project group has been established bringing all these parties together to develop ideas for new facilities that will fit into the landscape and provide the scope to enhance the visitor experience for the 600,000 visits to the site each year and to increase the income generated by the site to cover the costs of managing it.

It was felt an iconic building that made a statement would be right for this site and could attract the necessary funding however the ambitions of the project will only be possible if the parties work together as they all have something to bring to the table.

In the wider context this is an important development to fit within a network of visitor facilities across the County. There would be little point in investing in a development that provided facilities that are already available in the vicinity.

### Economic Woodlands

Surrey has 22 percent woodland cover, which makes woodlands a major ecological, amenity and economic resource in the county. However some of characteristics that make Surrey's woods special such as the relatively large number of small woods, high proportion of broadleaf species and the extensive conservation designations also contribute to a higher costs of management which has contributed, in part to many woodlands falling out of traditional management with consequential declines in biodiversity. The council, has many opportunities to address this problem, through countryside management practices, other land holdings and it's buildings heat demands. A co-ordinated approach is therefore critical to increasing the financial feasibility of environmentally sustainable management that will enhance biodiversity, provide rural employment and generate additional levels of renewable resources. This council is working internally and collaboratively with partners in a number of areas including:

- replacing oil and gas boilers with woodfuel boilers in line with our Wood Fuel Policy and
- identifying and developing / letting suitable sites for wood fuel hubs on under-used county council sites
- new practices of woodland management on it's own estate with SWT and projects such as Living Woodlands to re-establish coppice management, including at Norbury Park
- advising other private owners/managers of woodlands,

Key partners in this area are the, Surrey Wildlife Trust, the AONB unit, woodland contractors, woodland owners, wood fuel producers alongside various council teams in the Environment and Infrastructure directorate and Property Services.

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## **COUNTRYSIDE MANAGEMENT TRANSFORMATION PROGRAMME**

### **Proposed Terms of Reference for the reconvened Countryside Management Task Group:**

To advise the Cabinet Member on the changes required to the SWT SCC Agreement and its governance to ensure it is fit for purpose for the remainder of its term.

To include:

- advising on how the property portfolio should be managed
- advising on Governance to ensure that SCC fulfils its stewardship duty (to also include the co-ordination of the activities of Surrey representatives on Boards and Management Groups and the establishment of an appropriate method of reporting back to the Select Committee/Task Group)
- advising on the SCC make up of the Partnership Committee and ensuring a clear remit for those Members
- advising on the draft strategy and business plan for the SCC Estate
- advising on the future of the Sawmill and Workshop

### **Task Group Members:**

Bill Barker  
Mark Brett-Warburton  
Stephen Cooksey  
Pat Frost

23/10/2013

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