

Notice of Meeting

Communities, Environment and Highways Select Committee

**Date & time**

Thursday, 18 June
2020 at 10.00 am

Place

REMOTE MEETING

Streaming here:

<https://surreycc.public-tv/core/portal/webcasts>

Contact

Ross Pike, Committees
Business Manager
Room 122, County Hall
Tel 020 8541 7368

ross.pike@surreycc.gov.uk

Chief Executive

Joanna Killian

We're on Twitter:
[@SCCdemocracy](https://twitter.com/SCCdemocracy)



Elected Members

Mr John O'Reilly (Chairman), Mr Andy MacLeod (Farnham Central) (Vice-Chairman), Mr Saj Hussain (Vice-Chairman), Mrs Fiona White, Mr Keith Witham (Surrey CC), Mr Mike Bennison, Mrs Jan Mason, Mr Ken Gulati, Mr John Furey, Mr Paul Deach (Frimley Green and Mytchett), Mr Jonathan Essex and Mr Mike Goodman

TERMS OF REFERENCE

The Select Committee is responsible for the following areas:

- Waste and recycling
- Highways
- Major infrastructure
- Investment/Commercial Strategy (including Assets)
- Economic Growth
- Housing
- Local Enterprise Partnerships
- Countryside
- Planning
- Aviation and Sustainable Transport
- Flood Prevention
- Emergency Management
- Community Engagement and Safety
- Fire and Rescue
- Trading Standards

AGENDA

1 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS

To report any apologies for absence and substitutions.

2 MINUTES OF THE PREVIOUS MEETINGS: TUESDAY 24 MARCH 2020 (Pages 5 - 14)

To agree the minutes of the previous meeting of the Communities, Environment and Highways Select Committee as a true and accurate record of proceedings.

3 DECLARATIONS OF INTEREST

All Members present are required to declare, at this point in the meeting or as soon as possible thereafter:

- i. any disclosable pecuniary interests and / or;
- ii. other interests arising under the Code of Conduct in respect of any item(s) of business being considered at this meeting.

NOTES:

- Members are reminded that they must not participate in any item where they have a disclosable pecuniary interest;
- as well as an interest of the Member, this includes any interest, of which the Member is aware, that relates to the Member's spouse or civil partner (or any person with whom the Member is living as a spouse or civil partner); and
- Members with a significant personal interest may participate in the discussion and vote on that matter unless that interest could be reasonably regarded as prejudicial.

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 (*12 June 2020*).
2. The deadline for public questions is seven days before the meeting (*11 June 2020*)
3. The deadline for petitions was 14 days before the meeting, and no petitions have been received.

The public retain their right to submit questions for written response, with such answers recorded in the minutes of the meeting. Petitioners may address the Committee on their petition for up to three minutes.

5 ENVIRONMENT TRANSPORT AND INFRASTRUCTURE DIRECTORATE RESPONSE TO CORONAVIRUS (Pages 15 - 20)

Purpose of report:

To provide the Committee with an update and overview of the activity of the Environment Transport and Infrastructure (ETI) Directorate in providing services over the period of the COVID-19 pandemic, including the latest efforts to recover services to a new normal.

6 WASTE COMMISSIONING STRATEGY (Pages 21 - 30)

Purpose of report:

To seek the Committee's views on the development of the council's waste commissioning strategy including outcomes and procurement programme.

7 COMMUNITY PROJECTS FUND (Pages 31 - 36)

Purpose of the report:

To provide the Committee with an update and overview on the development of the Community Projects Fund.

8 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME (Pages 37 - 48)

Purpose of report: for the Select Committee to review the attached recommendations tracker and forward work programme, making suggestions for additions or amendments as appropriate.

9 DATE OF THE NEXT MEETING: WEDNESDAY 16 SEPTEMBER 2020

The next public meeting of the committee will be held remotely on Wednesday 16 September 2020.

Joanna Killian
Chief Executive
Published: Wednesday, 10 June 2020

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MINUTES of the meeting of the **COMMUNITIES, ENVIRONMENT AND HIGHWAYS SELECT COMMITTEE** held remotely at 10.00 am on 24 March 2020 via Skype.

These minutes are subject to confirmation by the Committee at its meeting on Thursday, 18 June 2020.

Elected Members:

- * Mr John O'Reilly (Chairman)
- * Mr Andy MacLeod (Vice-Chairman)
- * Mr Saj Hussain (Vice-Chairman)
- Mrs Fiona White
- * Mr Mike Bennison
- * Mr Paul Deach
- * Mr Jonathan Essex
- * Mr John Furey
- * Mr Ken Gulati
- Mrs Jan Mason
- * Mrs Becky Rush
- * Mr Keith Witham

In attendance

Mike Goodman, Cabinet Member for Waste and Environment

Matt Furniss, Cabinet Member for Highways

Denise Turner-Stewart, Cabinet Member for Community Safety, Fire and Resilience

8 APOLOGIES FOR ABSENCE AND SUBSTITUTIONS [Item 1]

None received.

9 MINUTES OF THE PREVIOUS MEETING: 23 JANUARY 2020 [Item 2]

The minutes were agreed as a true record of the meeting.

10 DECLARATIONS OF INTEREST [Item 3]

None received.

11 UPDATE ON COUNCIL CLIMATE EMERGENCY RESPONSE [Item 4]

Witnesses:

Mike Goodman, Cabinet Member for Waste and Environment

Matt Furniss, Cabinet Member for Highways

Katie Sargent, Environment Commissioning Group Manager

Paul Millin, Strategic Transport Group Manager

Richard Bolton, Local Highways Group Manager

Nick Healey, Area Highways Manager

Matthew Woodcock MBE, Partnership and Expertise Manager South East, Forestry Commission – South East and London

Esme Stallard – Climate Change Project Manager

Key points raised during the discussion:

CLIMATE CHANGE STRATEGY

1. The Environment Commissioning Group Manager introduced the Climate Change Strategy and Greener Future Investment Programme: Surrey County Council had followed government lead by declaring a climate emergency and committing to achieving net zero carbon by 2050, with an additional organisation-specific target of net zero carbon emissions by 2030. The council could not achieve these targets in isolation and needed to work with partners, residents, businesses and government to produce the action required to achieve the emission reduction targets. The Group Manager stressed the importance of both having a forward thinking strategy to inform the council's activities and a step change in the level of investment that was directed at this agenda. Officers and Members had been working to develop this strategy in conjunction with the council's borough and district partners and thus was based around the notion of a joint strategic framework and accompanied by a company Action Document.
2. The Group Manager explained how the strategy had been developed by three key work streams, namely: county emissions modelling, undertaken by Leeds University to help inform target reductions for each of the sectors in the strategy; a policy baseline exercise; thorough engagement with residents and focus groups, partners, boroughs and districts and authority partner groups. Moreover, the borough and district commitments had been updated; the language around transport had been strengthened; improvements had been made to integration of adaptation measures; stricter measures were to be imposed on school energy performance, and increased focus on energy efficiency measures in buildings.
3. The Group Manager was looking to the Select Committee to support both the approach taken to develop both the Climate Change Strategic Framework document and the Action Document and the continuation of the engagement of Surrey County Council with the boroughs and districts.
4. With regard to the Greener Futures Investment Programme, the council recognised that significant investment was required to achieve net zero carbon in Surrey. The Investment Programme set out the council's investment for the following five years however this programme was expected to evolve as the strategic framework was developed. The Group Manager called on Select Committee to endorse the investment in the Greener Futures Investment Programme and to note that officers would further develop the capital pipeline scheme so that it was fully scoped and costed.

Paul Deach joined the meeting at 10:14

2. The Vice Chairman asked how the council and its partners would meet the targets of the Climate Change Strategy. The Cabinet Member for Environment and Waste stated that both the level of and the willingness of

Surrey's district and borough council to work together showed the council's commitment to tackling climate change.

3. A Member stated that the financial repercussions of the COVID-19 virus pandemic would be felt for years. The council's climate change programme necessitated significant investment but COVID-19 would reduce the likelihood any additional funding from central government. The Member asked how the virus would impact upon the plans set out in the climate strategy. The Cabinet Member for Environment and Waste stated that climate change was still being prioritised and that they were confident that the council would still be able to deliver on targets of the strategy. The Environment Commissioning Group Manager agreed that there was no indication that the strategy would be delayed. The Climate Change Project Manager stated that contingency plans had been put in place for a one month, three month and six-month delay and that there were substantial benefits to continuing with the programme during COVID-19. The committee stressed that the effect of COVID-19 and the funding that it required could have a negative impact on the availability of additional funds from central government for the council's climate change strategy. It should be acknowledged that this could cause strategic problems going forward.

5. A Member asked to what extent the council's investment decisions would impact the council's carbon reduction targets and whether a review would be undertaken to ascertain this. The Environment Commissioning Group Manager stated that it needed to be very clear what the money invested would deliver in terms of carbon reduction and climate benefits; there needed to be better analysis at the business case stage. There also needed to be greater understanding of how the schemes would be managed to ensure that they were delivering on the expected carbon reductions; officers were working on the delivery of this. They also appreciated that transparency was crucial and informed the committee that an evaluation framework was being developed.

6. A Member asked how the council would ensure coordination of the strategy across the various partner organisations. The Environment Commissioning Group Manager stated that governance processes that would enable the partnership coordination to perform effectively were in place. A board had been established to make decisions about the strategy and delivery of the climate change work. The Group Manager assured the Committee partnership working would continue to improve once it started delivering tangible successes. The committee agreed the importance of joint scrutiny of the overall strategy with district and borough councils. The working group could report to a joint scrutiny committee comprising representation from all twelve local authorities in the county.

7. A Member stated that enforcing the strategy would require effective coordination and asked what the leadership structure for it was and who the accountable individuals were. They also asked how continuity on such a long

term and complex project could be ensured. The Climate Change Project Manager outlined the different streams of coordination: a project board enabling officer input from different service areas; meetings with Members from district and borough council through the Surrey Environmental Partnership; in-depth workshops with officers; Members input through the Select Committee and the working group. There would be discussion on how continued input from Members could be coordinated across all authorities. They appreciated that the governance could be perceived as very complex but this did reflect the complex nature of the work being done. The Project Manager said that they were happy to share with members the relevant governance documents.

8. A Member asked what the council's share of central government's grant funding for investing in buses was. Expanding the bus network in Surrey would be key, not just electrification of the existing fleet: Surrey was a high transport emissions county thus there needed to be a shift from private to public travel. The Strategic Transport Group Manager stated that the existing revenue spend funded 130 bus routes (in whole or in part) which constituted 25% of all patronage in Surrey; the other 80 services were commercially run by a range of different operators. There was £47m allocated in the capital pipeline for the acceleration of ultra-low emissions vehicles; the majority of this would be invested in buses (£41m). Overall, improvement of the delivery and quality of the service would be a joint investment with the industry and borough and district councils.

9. A Member asked whether there was scope for new local community-led bus services. The Group Manager stated that, generally, the community-led bus services were successful particularly when initiated by the community itself. If there was a community that wanted to develop the service, the Group Manager was very happy to have a conversation about how funding could be secured.

10. A Member highlighted that there was no funding attached to building and infrastructure in the Greener Futures Investment Programme, the Strategic Transport Group Manager highlighted that the county council was not a housing authority and that responsibility of this area lay with districts and borough councils.

ACTIONS

- i. The Strategic Transport Group Manager to send to Members relevant contact details regarding funding for local community-led bus services.

- ii. The Climate Change Project Manager to share with members the relevant governance document for the council's climate change strategy.

RECOMMENDATIONS

- i. The Committee supports the current approach taken to develop the Climate Change Strategic Framework and Action Document.
- ii. The Committee supports the continuation of engagement of the council with districts and borough councils with the intention to support joint endorsement across the 12 authorities.
- iii. The Committee encourages the continued development of the actions contained within the action plan document, to develop ownership, appropriate levels of funding and key KPIs for monitoring.
- iv. That the Committee investigates avenues for joint scrutiny with district and borough councils to review the impact of the climate strategy and continue its development.

TREE STRATEGY

1. The Environment Commissioning Group Manager stated that as part of the Greener Future programme the council had committed to facilitating the planting of 1.2m trees in Surrey by 2030. This initiative was a partnership initiative which had been calculated to have the potential to sequester an estimated 300,000 tonnes of carbon dioxide over the lifetime of the trees planted. The council had produced guidelines for both tree planting and verge planting. Consultation responses had generally been positive but there were some caveats and concerns in the report thus the Group Manager welcomed a steer from Select Committee and sought both endorsement from the committee and comments on specific issues raised.
2. The Vice Chairman asked what the expected impact on climate change the council's Tree Strategy would have in both the short and medium term. The Environment Commissioning Group Manager stated that it was difficult to estimate the carbon capture of trees as there are many determining factors such as tree age and type. Sequestration is also estimated on hectareage of woodland, making it difficult to quantify carbon capture of a singular urban tree. Based on estimates and assumptions, it had been calculated that 300,000 tonnes of carbon could be sequestered. The Forestry Commission's Partnership and Expertise Manager (South East) stated that management of the woodland was critical. They also emphasised the importance of optimising the multi functionality of trees.
3. The Vice Chairman asked whether there were any plans in place to remove tree stumps. The Local Highway Services Group Manager stated that there were approximately 2 million trees to maintain on the highway and that this money was prioritised for safety critical works. The revised policy enabled residents groups to fund the removal of stumps themselves. If there was additional funding available then the Highways Team would look to remove them.

4. A Member asked how residents could propose locations for tree planting in their communities. They also asked how residents could find out what types of trees were suitable to be planted. The Environmental Commissioning Group Manager stated that they were happy to receive suggestions of where trees could be planted in the county. The National Lottery Heritage Fund had funding available for community orchards, the council could support bids from parish councils to this fund. The Partnership and Expertise Manager stated that there was a range of funds available for the planting of trees. The Forestry Commission administered the government's Urban Tree Challenge Fund that supported a range of initiatives around the country. The Tree Council also had money for the planting of individual trees. The Woodland trust also offered funding. Additionally, there were various initiatives for smaller areas of woodland. In terms of tree felling, the Forestry Act stated that government controlled wider tree felling but had no control over tree felling in residential gardens.
5. A Member highlighted that many healthy trees were cut down on private land and that there was a lack of control over this. The Environmental Commissioning Group Manager stated that residents should contact borough and districts councils to see what trees were protected and that educating residents of the important of trees is very important. Working with schools around benefits of trees would also be crucial.
6. A Member asked whether work to protect existing trees in Surrey could be included in the supplementary planning guidance. They also asked whether a spatial plan could be included in the strategy's delivery plan to inform the public where additional woodland would be planted. They also requested a map be added to the new renewable energy strategy in order to inform development of a land-use plan. The Environment Commissioning Group Manager stated that there were already starting work with planning specifically around trees. They were also in conversation to different service providers around how newly planted trees were captured and mapped in a way that could be easily accessed by residents of Surrey. There was transformational funding to look at how land could be used for renewable energy generation.
7. The Partnership and Expertise Manager of the Forestry Commission informed the committee that a masterclass had been developed for planning teams to highlight how they could protect trees and be proactive with the planning. Responding to a suggestion from the committee, potential for an internet seminar would be explored.

ACTIONS

- i) For Members of the Committee to provide comments on the Tree Strategy to Democratic Services.

Witnesses:

Denise Turner-Steward, Cabinet Member for Community Safety, Fire and Resilience

Alan Bowley, Head of Environment

Key points raised during the discussion:

1. The Chairman asked why the previous arrangement between Surrey Wildlife Trust (SWT) and Surrey County Council did not work out. Conservation and habitat management had become the priorities of SWT and thus the organisation didn't identify visitor service and property as its core business. Therefore SWT was happy to make the adjustments made. The Cabinet Member for Community Safety, Fire and Resilience went on to state that SWT were provided for from the funding from the council and funded by grants from Natural England and additional membership fees.
2. A Member asked what the advantage to the council was of switching to a strategy which required £500K of investment, particularly when the council had previously been focusing on reducing the input it had to its estate. The Cabinet Member informed the committee that there would be a review on the status of all property on the countryside estate in order to discern the optimal solution for the Cabinet to hold, manage or invest.. The plans showed considerable improvements that would increase engagement and satisfy the health and wellbeing agenda. The Head of Environment stated that the current arrangement had always seen SWT reinvest property income into funding visitor services and that this principle would continue under the council's management. The Head of Environment added that the transformation fund would look at the visitor enhancement programme with an aim of returning to self-sufficiency. This fund would also allow the council to have a series of mini feasibility studies around key locations to optimise investment and returns.
3. The Chairman asked whether The Head of Environment could give an indication of when support for the countryside would not be required. The Head of Environment answered that it was difficult to say but the intention was to return to equilibrium within 2-3 years. The council had looked at potential liability of delivering the service and the officer assured the committee that strong due diligence had been carried out.
4. The Chairman asked whether the figures quoted in the report on investment (the capital budget included funding for the Visitor Services Enhancement Programme of £1.1m across 2020-2025 and provision of £8m of investment in countryside properties in the capital pipeline, from 2020-2025) and revenue costs (minimum of £0.4m per annum until 2052) were realistic. The Head of Environment stated that the figures in the paper had been derived from a number of sources: a review of spend to date; condition surveys of residential properties; assessment of commercial properties. Full condition surveys were also being rolled out on commercial property. The final figures were dependent on where costs went post-COVID-19.

6. A Member asked how the council would manage if there was conflict between conservation objectives and the improvement of visitor experience objectives. The Member highlighted a transitional arrangement for Sawmill at Norbury Park and asked whether the Cabinet Member could confirm whether this would become council-run? The Cabinet Member stated that the aim was to retain Sawmill but this arrangement was yet to be confirmed. The Cabinet Member assured the committee that the council would be talking to SWT regarding any areas of sensitivity. The Head of Environment stated that there was protocol in place that enabled both organisations to anticipate where potential conflicts could arise.
7. A Member asked for information regarding successful established voluntary contribution visitor car parking schemes that generate revenue in other organisations to be circulated by the Cabinet Member for Community Safety, Fire and Resilience.
8. The Chairman stated that, whilst this plan may be approved by Cabinet, performance monitoring of the strategy by the Select Committee would be very important given the degree of uncertainty on its implementation

ACTIONS

- i. The Cabinet Member for Community Safety, Fire and Resilience to circulate to members information and examples of successful established contributions schemes in other organisations.

RECOMMENDATIONS

- i. The Committee expressed reservations with the business case including the continued revenue cost to the council and the council's capacity to manage the property in-house.
- ii. The Select Committee to review the implementation of the Cabinet decision mid-2021.

13 RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [Item 6]

Key points raised during the discussion:

1. The Chairman stated that the committee would take the lead regarding the major policy initiative to introduce the community investment fund. The Chairman informed the committee that there would be a task and finish group to develop the governance of the scheme and asked whether any members of the committee would like to volunteer.
2. A Member asked when the committee would be scrutinising the Surrey Fire and Rescue Service improvement item that was deferred from this meeting. The Chairman suggested that this could be provisionally put on the agenda for the following Select Committee meeting in June.

3. A Member asked when the conclusion of the fire service pension fund would be brought to Select Committee . The Committees Business Manager stated that the pension fund was being scrutinised by the Local Firefighters Pension Board. The Committees Business Manager agreed to look into the timescales of this and when the Select Committee could be briefed on the outcome.
4. A Member asked whether an update on and the priorities of the revised Horizon programme could go on the forward work plan for the September Select Committee meeting. The Chairman agreed.
5. The Vice Chairman stated that they would like the council's plan for infrastructure to go on the forward work programme.

ACTIONS

- i. The Committees Business Manager to look at the timescale of the scrutiny of the fire service pension fund led by the Local Firefighters Pension Board

14 DATE OF THE NEXT MEETING: 18 JUNE 2020 [Item 7]

The Committee noted its next meeting would be held on 18 June 2020

Meeting ended at: 12:45pm

Chairman

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Communities, Environment and Highways Select Committee



Thursday 18 June 2020

Overview of the Response to COVID-19 from the Environment Transport and Infrastructure Directorate

Purpose of report:

To provide the Committee with an update and overview of the activity of the Environment Transport and Infrastructure (ETI) Directorate in providing services over the period of the COVID 19 pandemic, including the latest efforts to recover services to a new normal.

Introduction:

1. Since early March, the Environment Transport and Infrastructure (ETI) Directorate has been actively managing its services' response to the COVID 19 pandemic alongside and as part of the Council-wide strategy and county-wide response effort. This report provides a brief overview of this response, and an update in respect of the phased return to a new normal for ETI's services.

Details:

Response phase

2. Since early March 2020, the ETI Directorate, along with the wider Council, has been responding to the unprecedented challenge of COVID 19. The pandemic and the associated lockdown created a need to fundamentally review and modify a range of services, and more fundamentally, the way of working for all teams. The ETI Directorate Leadership Team (DLT) started meeting on a bi-weekly basis as an incident management team to enable a coordinated approach to the Directorate's response and recovery efforts.
3. With the introduction of lockdown on 23 March, the Directorate's strategy was to ensure the continued delivery of the most critical services, whilst modifying the delivery of other services to ensure that as much of the Directorate's outcomes continued to be progressed, both in respect of business as usual activity but also the Directorate's ambitious transformation programme. As such, much of the Directorate's activity has continued in some way shape or form over the lockdown period, although some

4. By 23 March, critical services were reviewed and made safe for staff continuing to work on the front line, so to speak, and in roles that required attendance either on site or at an office setting. These critical services included certain highways functions, particularly maintenance of the road network focusing on addressing safety critical works; waste; strategic transport, including the work we do to commission certain bus routes; and certain other safety critical services, such as the continued management of the county's countryside sites and rights of way.
5. In respect of bus operators in particular, it is worth noting the particularly challenging climate in which the industry and our contractors in particular have been operating. From even before the official lockdown, bus services have suffered a significant decrease in patronage, and therefore passenger fare revenue. The Council acted swiftly to work with operators to review and reduce early on to reduce routes to the most critical, ensuring that routes serving key workers were maintained as much as possible. In addition, SCC took a decision relatively quickly that for the period of disruption, the county would continue to pay for services contracted regardless of the reduction in service or disruption that occurred. This assurance was provided in advance of later Government assurances to the industry.
6. Other ETI services have been maintained but have moved into largely virtual working. This includes the work that our planning team have done to continue to review and prepare for planning committee, now scheduled as a virtual planning committee for July, and the move to virtual planning enforcement activity where possible.
7. Some teams were able to carry on largely as normal, although impacts have still been felt across the Directorate. For instance, our environment commissioning team continued with the development of and progression through Cabinet of the Climate Change Strategy, which was approved in late April.
8. However, inevitably not all services were maintainable given the customer-facing or interactive nature of some of these services. Such services were ceased in line with the Government's social distancing guidelines over the period of lockdown. Community Recycling Centres (CRCs) were closed at the start of lockdown on the basis that a trip to a CRC was not considered an essential journey in line with Government guidance. Countryside car parks were closed to mitigate against the gathering of groups of people on sites, although the Council's countryside sites were kept open throughout lockdown.
9. Planned highways works were stopped in order for the service to put in place a robust risk assessment approach to providing assurance over the social distancing practices to be employed on such sites. As a result, there was little material impact on the delivery of planned highways works. As an example of the volume of highways works delivered in May, the following were delivered by the county's highways maintenance contractor, Kier:
 - 296 A&E's attended
 - 3266 safety defects completed, of which 2651 were potholes
 - 14641 gullies cleaned and 36 gullies rebuilt
 - 1782 jet patching jobs completed

- 28364m² of carriageway resurfaced
 - 16 total footway reconstruction jobs completed or underway
 - 10,211m² of tarmac footway renewed
 - 4,400m of kerbing renewed
 - 12 surface treatment schemes completed, 1,627m²
10. Some other services were stopped because they could not be safely delivered in the context of social distancing, such as cycle training.
11. Whilst the capital programme for the Directorate has not been significantly impacted, there will be inevitably some delays to certain schemes that were at a critical stage of delivery. These impacts are being monitored and are being mitigated where possible.
12. Where teams or contractors were unable to carry out their normal day to day activity over lockdown, the Directorate identified a pool of potential redeployees that were available, and in some cases deployed, to support the front-line response efforts and/or the Local Resilience Forum in coordinating that response. In May, c. 50% of council staff redeployed to the COVID response were provided by ETI – some of which are still redeployed to continue to support the ongoing response. These staff have undertaken a significant range of activity, including supporting the deployment of personal protective equipment (PPE), from the logistics of collecting and delivering much needed PPE, to sourcing the production of and donation of materials to support the front-line effort.
13. Further, the Council supported district and borough collection services through the redeployment of Suez staff that otherwise would have been working in our CRCs to support a couple of our districts' services. This helped to ensure that certain critical kerbside collections in these areas were maintained and/or restarted.

Phased return to normal

14. Even in advance of the Government's announcement of the initial easing of lockdown on 11 May 2020, the Directorate had been planning for the phased return to normal of its services.
15. Whilst most services and teams continue to work from home and virtually by default, a number of teams and contractors have returned to the front line and to sites at various points since April.
16. Highlights of this return to normal, which is still very much under way, are highlighted below:
- From mid-April, highways contractors and the associated SCC staff have been deployed back onto planned highways works, based on the risk assessments that the team have developed to provide assurance as to the social distancing practices to be employed on sites
 - From 11 May, a majority of our CRCs (10 of our 15 centres) have been reopened to the public. The initial phase of this reopening saw the CRCs opening to black

bag and green waste to enable a large pent-up demand to be handled quickly in the initial opening stage, which received a number of positive reactions from members and the public. A considerable amount of planning and traffic management was deployed to ensure the smooth and safe reopening of the Centres. The second phase from 1 June has seen a return to accepting all materials at these 10 sites, which has seen considerably longer queues, but again traffic management is in place and is ensuring that as much as possible, expectations of customers are managed, and site staff are ensuring as efficient a throughput of vehicles as possible

- From 13 May, the countryside car parks were reopened, in line with Government guidance easing the lockdown to enable people to travel to leisure activities.
- From mid-May planning enforcement visits are being reintroduced, and site visits for various other teams are being undertaken with risk assessments on a case by case basis.

17. In addition, a number of services are working to accelerate certain activities and/or develop innovative new approaches to how we deliver services in the return to a new normal. For instance, highways teams are working across the county to deploy “pop-up” active travel measures – such as the widening of pavements to enable social distancing – in town centres and the like. The environment commissioning team are identifying opportunities for capitalising on the new practices that have been developed by residents as a result of the lockdown, such as an increased working from home and/or reduction in car use more generally.

18. However, whilst the Directorate has managed a balanced approach to the response and return to normal, there remain some key risks to the recovery of some of our services. For example, the Government social distancing guidelines and customer reticence around the return to public transport will continue to present a real risk to both the bus and rail industry in the short to medium term, if not longer term.

19. Further, delivering services in the context of social distancing has required greater cost for the Directorate – some of which will be a one-off cost of recovery, but some of which could be an ongoing cost of service for the period in which social distancing continues to apply – the traffic management associated with our CRCs being a case in point.

20. This financial reality of recovery presents a particular challenge to the ETI Directorate at a time it is being reviewed and there is a need to build up capacity in some teams to be able to deliver on the outcomes to which the Directorate is committed. To this end, ETI will be developing a five-year budget strategy to enable its leadership and Cabinet Members consider how to continue to support the development of the Directorate’s capacity to deliver against the significant place ambitions that have been set by the Council.

Conclusions:

21. Leading up to and since the start of the lockdown implemented to respond to COVID-19, the ETI Directorate has focused on maintaining critical services, whilst continuing to

progress as much of its business as usual and transformational activities as possible in different ways, including implementing new ways of working. In addition, it has provided support to the main COVID response effort through a redeployment of some staff where possible – redeployments that in some cases will continue where necessary. Looking to the future, the critical priority for the Directorate will be to ensure that services are restored to a new, safer and more resilient normal.

Recommendations:

The Committee are invited to consider and ask questions of the Cabinet Members and the Executive Director in respect of ETI's delivery of services for the period of the pandemic. The outcome of the discussion will help the Directorate to refine its strategy for the continued phased return to normal over coming months.

It is recommended that:

- a. The Committee discuss and make comments on the report
- b. The Committee note the progress of the Directorate in responding to the pandemic

Report contact: Katie Stewart – Executive Director, Environment Transport and Infrastructure

Contact details: 07989 217 782; Katie.Stewart@surreycc.gov.uk

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Communities, Environment and Highways Select Committee



Thursday 18 June 2020

Rethinking Waste – Surrey County Council’s Waste Commissioning Strategy

Purpose of report: to seek the Committee’s views on the development of the council’s waste commissioning strategy including outcomes and procurement programme

Introduction:

1. The current Waste Private Finance Initiative (PFI) contract with Suez provides for the treatment and disposal of all local authority collected waste arising within the county. This contract expires in September 2024, and Surrey County Council needs to commission new service arrangements. The Waste Commissioning Strategy will shape those new arrangements, including the infrastructure, ways of working with our district and borough collection authorities, and the services procured.

DETAILS:

Background

2. The current Waste PFI contract with Suez provides for the treatment and disposal of all local authority collected waste arising within the county, around 500,000 tonnes a year, and includes the design, build, finance and operation of the Surrey Eco Park.
3. The contract covers the operation of all Community Recycling Centres (CRCs), Waste Transfer Stations (co-located with CRCs), and the handling and onward transport of all waste arisings. This includes all kerbside residual, garden and food waste collected by the district and borough councils and ultimately all kerbside Dry Mixed Recyclables (DMR from nine councils are currently included, with two more in transitional arrangements).
4. The design of the Eco Park at Shepperton comprises an anaerobic digester to treat food waste, an advanced thermal treatment plant (gasifier) to treat residual waste and a materials bulking facility alongside the existing CRC. The first two of these facilities remain under construction. As such, most of the total 200,000 tonnes per year of residual waste is currently being treated at facilities outside of Surrey in the South East of England.
5. This Waste PFI contract expires in September 2024, and the Council therefore needs to commission new service arrangements.

International and national context

6. Waste is a global industry with recycling materials forming part of the commodities market exported to meet demand for manufacture. However, in recent years, as countries, particularly in south east Asia, have developed their own recycling industries, they have imposed restrictions on the importing of recycling, leading to a fall in demand and prices.
7. The UK Government's plan is to become a world leader in using resources efficiently and reducing the amount of waste we create as a society. It wants to prolong the lives of the materials and goods that we use and move society away from the inefficient 'linear' economic model of 'take, make, use, throw'. A more circular economy will see us keeping resources in use for as long as possible, so we extract maximum value from them. The aim being to recover and regenerate products and materials whenever we can, giving them a new lease of life. This builds on the existing waste hierarchy of 'prevention, preparing for re-use, recycling, other recovery, and disposal'. It gives top priority to preventing waste in the first place, when waste is created, it gives priority to preparing it for re-use, then recycling, then recovery (e.g. energy from waste), and last of all disposal (e.g. landfill).
8. To that end, the Resource and Waste Strategy for England was published in 2018. DEFRA are now engaging stakeholders on a number of issues. These include consistency of collections across the country which will likely make weekly food waste collections mandatory (already adopted in Surrey), possibly make green garden waste collections free of charge (Surrey Councils all charge for collections, but it is free at CRCs), and may lead to separate paper/card collections (Surrey Councils collect this mixed apart from Reigate & Banstead Borough Council). DEFRA is also discussing with stakeholders 'Deposit Return Schemes' for cans, bottles and glass and 'Extended Producer Responsibility' for other wastes. The proposed changes will have a significant impact on council waste collection and disposal services.
9. The next round of DEFRA consultations are not expected until Autumn 2020, with legislation potentially being introduced in 2021-22 and implementation from 2023. The national response effort to the Coronavirus may delay this further. However, the council needs to develop its Waste Commissioning Strategy now to guide the procurement for 2024.
10. As such, assumptions will be made based on engagement with DEFRA and other key stakeholders involved in the development of Government policy in this area to ensure that the council's strategy is developed to align as much as possible with the emerging national policy context.

Local context

11. In two tier areas like Surrey, waste disposal and collection responsibilities are split between the upper and lower tier authorities respectively. In Surrey, there is a positive partnership working between the council as the waste disposal authority and the district and borough councils as the collection authorities in the form of the Surrey Environment Partnership (SEP), which aims to manage Surrey's waste in the most efficient, effective, economical and sustainable manner. This work is funded by the council through a fixed payment mechanism. There has been some progress in recent years by the partnership in developing a more joined up approach to how

waste is managed in the county, with common communications, all households receiving food waste and similar dry mixed recycling collections.

12. However, there remain fundamental challenges to the way in which waste is managed in Surrey. Despite having one of the highest recycling rates in the country (41st out of 345 Councils), the proportion of household waste which is sent for re-use, recycling or composting has remained relatively static over recent years at 55% (2018/19) - well below the Partnership's target of 70%, (although this is measured slightly differently achieving 60% in Q2 2019/20). The Resource and Waste Strategy has a target of 75% packaging recycling by 2030, and the EU Circular Economy package includes a target for recycling at least 65% of municipal waste (which includes household and similar trade waste) by 2035. One of the challenges for the Commissioning strategy will be to develop Key Performance Indicators that reflect the outcomes we wish to achieve.
13. Further, the costs of waste management have increased in recent years. Reasons for this include, an increasingly challenging global market for the sale of recycling materials, some European countries have introduced energy from waste taxes, and the transactional cost of two-tier financial mechanisms. In addition, there is a need to review the infrastructure for waste treatment that is employed by the council. These issues are explored in more detail later in this report.
14. The Communities, Environment and Highways Select Committee considered a report from the Waste Task Group in September 2019. This included recommendations on Community Recycling Centres and improving the work delivered via the Surrey Environment Partnership. The Waste Commissioning Strategy will further develop those proposals.

Developing a Waste Commissioning Strategy

15. The Surrey Joint Municipal Waste Management Strategy, which is led by the SEP, was last revised in 2015. A full strategy revision was due in 2019/20. However, consultation with the district and borough councils has found that they prefer to await the detailed implications of the national strategy before revising the joint strategy. The strategy is a key product of this partnership working and whilst there is the challenge of the timing to refresh this strategy, it is proposed that the council's Waste Commissioning Strategy is undertaken in a way that complements the later refresh of the joint strategy.
16. Also critical to the consideration of how Surrey manages waste in the future, the council approved the Surrey Climate Change Strategy in April 2020. The Strategy sets a net zero carbon target for the county by 2050. Its strategic priorities for waste include minimising the creation of waste and working with partners to develop practical, innovative and effective methods for increasing reuse and recycling rates. The council will also evaluate the current carbon impact of recycling collection and disposal practices so that their impact can be lessened.
17. In order to ensure that the council commissions an effective approach to the treatment of waste moving forward, it is proposed that a Waste Commissioning Strategy is developed to identify how to minimise the amount of residual waste we treat, the infrastructure required, and options for delivering waste management

system efficiencies with district and borough councils, to deliver the desired outcomes, the procurement process, and a timeframe.

18. The **outcomes** for the proposed strategy are set out below:

- a. Meet Surrey County Council's Waste Disposal Authority (WDA) statutory duties.
- b. Maximise the financial sustainability of waste management in Surrey.
- c. Reduce the carbon impact of waste collection and disposal.
- d. Maximise the integration of waste management in the county

19. In delivering these outcomes, the proposed strategy will need to address the challenges set out in paragraphs 11 and 12 above, which are explored in more detail below.

Waste Reduction

20. Key to achieving the proposed outcomes will be to reduce the amount of residual waste generated by the county, as it has the largest impact on cost, carbon, and infrastructure.

21. The overall recycling rate for Surrey has not seen a step change improvement since 2011/12 when it stood at 52%. The most recent compositional analysis of Surrey's household waste in 2016 identified that a significant amount of materials left in residual waste could have been recycled in existing kerbside waste collections or at the community recycling centres.

22. Food waste was by far the largest component of recycling left in residual waste. The compositional analysis showed that roughly 45-46,000 tonnes of food waste which could be recycled was going into residual waste. This represents the single largest opportunity to reduce the amount of residual waste.

23. Since that audit, separately collected food waste has increased by 7,000 tonnes. It is reasonable to assume that there are currently around 40,000 tonnes of Food Waste in the residual waste stream. This equates to around £4million in unnecessary disposal costs. A more accurate figure will be known once the 2020/21 waste compositional analysis is available.

24. In addition, samples of kerbside collected dry mixed recycling contain on average 4% of food waste, which not only is a contaminant itself, but further contaminates other recyclables including paper and card, reducing their value.

25. As such, the SEP have agreed that their work programme for 2020/21 will focus on increasing food waste capture, reducing contamination of dry mixed recycling and reducing residual waste, through data based targeted interventions.

Financial mechanisms

26. The existing waste funding mechanism through which the council funds the SEP and the Waste Collection Authorities is due for review in 2020/21. These payments include a fixed and a variable payment mechanism. The variable payment

mechanism was designed to be a share of savings, split 40:40:20 between the council, WCAs and the SEP. However, the fall in recycling income, due to global price falls and contamination levels has negated this.

27. There is an opportunity to review the variable payment mechanism to increase savings shared between all Councils and the SEP by incentivising increased food waste recycling and reducing contamination. Taking into account participation rates and increased collection costs, there is an estimated £2m to £3m in potential food waste management cost savings in Surrey.

Infrastructure

28. Critical to the efficiency of waste management in Surrey is the infrastructure that supports it. The infrastructure in scope of the proposed strategy includes Community Recycling Centres (CRCs), residual waste treatment, waste transfer stations and bulking, materials recovery facilities, food waste anaerobic digestors, composting and other material recycling facilities.
29. CRCs are the public interface of the service. The strategy will consider the scope to improve opening hours, use booking systems, and develop new or larger sites to improve coverage. The opportunity will be taken to explore innovation in recycling difficult wastes such as mattresses and carpets and shredding bulky waste for energy recovery. CRCs can also be developed as “Take Back Hubs” building on the success of the re-use shops.
30. When the Surrey Waste PFI contract was procured, the UK was heavily dependent on landfill, and there was very little residual waste treatment capacity. However, since that time, most Waste Disposal Authorities (WDAs) have embarked on procurements to design build finance and operate treatment facilities such that twenty years later the UK has significantly increased treatment capacity.
31. Discussions with neighbouring WDAs show that as recycling increases and residual waste reduces, some municipal contracts may have spare capacity, which could form the basis of an inter-authority delegation. Others are in a similar position to Surrey in that they have no operational final treatment facility for residual waste in county. Therefore there are opportunities for regional inter-authority collaboration. The attached Annex outlines the position of neighbouring Waste Disposal Authorities.
32. In addition, a number of commercial operators are proposing or have gained planning permission in London and the south east for merchant facilities that require anchor residual waste contracts and funding, to enable construction.
33. Finally, Waste Transfer Stations (WTS) are the key interface between the WDA and WCAs, and the queueing times and travel distances associated with these facilities are very important, having a significant impact on collection round efficiency in terms of lost time and cost. Further, Guildford WTS is recognised as being at the edge of its operational limits and requires capital investment or re-location to ensure business continuity and facilitate other infrastructure, for example, a second Materials Recovery Facility in Surrey.

34. For instance, consultation with WCAs found that the potential to increase WTS opening hours could facilitate re-thinking waste collection patterns, including two shifts a day or four long days, which could reduce peak times and traffic queuing. These options will be considered as part of the Waste Commissioning Strategy.

Environmental sustainability

35. An Environmental Sustainability Assessment (ESA) will be required for the procurement. As part of the Options Appraisal process we will evaluate the current and proposed carbon impact of waste collection and disposal, using the Waste and Resources Assessment Tool for the Environment (WRATE) methodology.

Governance

36. In December 2016, Cabinet agreed to combine SCC's WDA partnership functions with the functions of the four joint waste collection contract authorities. Officers have since developed a business case, which recommends the optimum solution for the transfer of the remaining core WDA functions.
37. Work by the SEP has identified that waste system savings of between £9m and £12m could be achieved through increased joint working. The savings achieved by the four authorities who have entered into a joint waste collection contract provide early evidence of the benefits of this approach. The £2m to £3m savings identified above in diverting food waste from residual waste is another.
38. The need to commission new service arrangements for the WDA presents an opportunity to develop the co-ownership model of waste services in Surrey. This model could take a number of forms, including a local authority company, in house direct services, and/or contracting with a third party. In order to meet the desired outcomes, the procurement will need to have support and commitment from both tiers of local government in Surrey.

Strategy and procurement programme and timetable

39. The provisional programme to develop and deliver the strategy assumes the longest timetable of an 18-month Competitive Dialogue procurement with a three-stage dialogue and deselection process, planning and site selection for any infrastructure, leading to contract award in 2024, with facility building after this.
40. However, the commissioning strategy will also consider alternative approaches including dividing the service into separate packages which could be procured in a much shorter timescale. Residual waste treatment is currently treated in this way with market testing and sub-contracts awarded in under a year through the Waste PFI.
41. Engagement with other councils may lead to inter-authority agreements or co-ownership service models that may fall into a timescale somewhere between one and four years.

Consultation:

42. From January to March 2020, the council undertook a series of meetings with key officers in Surrey districts and boroughs and with Joint Waste Solutions and SEP to assess views on the following issues:
- Issues and opportunities for closer joint working between the council and the districts and borough councils and the role of the SEP - building on experiences and models of joint working elsewhere in the country and testing these models with partner authorities.
 - Current arrangements for collection including the term and degree of flexibility of existing contracting arrangements or fleet services.
 - Aspirations for future collection arrangements and consideration on how these might be affected by the emerging Resource and Waste strategy.
 - Views on the current services and infrastructure provided by the council (CRCs and Waste Transfer Stations) and what new services or infrastructure would be required in the future.
 - Commercial opportunities, particularly those arising from the development of infrastructure such as for bulking and processing material arising from deposit return or extended producer responsibility obligations. Including potential models of delivery with and without the private sector.
43. During April 2020, the council met with neighbouring WDAs to understand what opportunities there may be for collaboration for up to 150,000 to 200,000 tonnes a year of residual waste treatment, and any other waste areas that may be of mutual interest. It was found that some municipal contracts may have spare capacity, and others may consider working together to realise new facilities on sites with planning permission. These options can be explored as the strategy is developed.
44. Further engagement will be undertaken in the development of the strategy, with representatives from District and Borough Councils on the Board, officer and member workshops and soft market testing for appropriate elements of the service.

Points for consideration:

45. The Committee's views on the following would be especially useful in developing the waste procurement strategy:
- Waste reduction: Should the strategy focus on reducing the amount of residual waste by increasing food waste recycling?
 - Financial mechanisms: Should the variable element be reviewed to incentivise recycling and reduce contamination rates?
 - Infrastructure: Should the Council continue to rely on regional facilities to treat residual waste?
 - Governance: Should the co-ownership model of waste services be developed?
 - Outcomes: Are the proposed outcomes supported?

Recommendations:

46. It is recommended that the Committee:
- (a) approves the development of a Waste Commissioning Strategy;
 - (b) approves the proposed outcomes for the Waste Commissioning Strategy, to:
 - 1. Meet Surrey County Council's Waste Disposal Authority (WDA) statutory duties.
 - 2. Maximise the financial sustainability of waste management in Surrey.
 - 3. Reduce the carbon impact of waste collection and disposal.
 - 4. Maximise the integration of waste management in the county
 - (c) approves the programme proposed for the development of the strategy and re-procurement of the waste disposal contract; and
 - (d) within this programme, approves the review of the variable elements of the funding mechanism through which the county council funds the Surrey Environment Partnership and the Waste Collection Authorities.

Next steps:

47. The Executive Director of ETI will establish suitable Board and Governance arrangements with representatives from Surrey Chief Executives and the Surrey Environment Partnership.
48. The Board will develop the Waste Commissioning Strategy in accordance with the desired outcomes considered by the Committee Cabinet, including developing Option Appraisal Criteria for recycling/ composting performance, infrastructure deliverability, system cost efficiencies, circular economy and carbon impact and report back to Committee next year on the proposed procurement options.

Report Contacts:

Richard Parkinson, Environment Delivery Group Manager,
richard.parkinson@surreycc.gov.uk

Mark Allen, Interim Waste Programme Manager, mark.allen@surreycc.gov.uk

Sources/background papers:

- **Annex 1: Neighbouring Waste Disposal Authorities**
 - Re-thinking Waste consultation, Surrey Environment Partnership, Officers' Group, 4 June 2020
 - Waste reduction and financial arrangements, Surrey Environment Partnership, Officers Group, 4 June 2020
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Annex 1

Neighbouring Waste Disposal Authorities

A1. Introduction

A1.1 Discussions with neighbouring Waste Disposal Authorities show that as recycling increases and residual waste reduces, some municipal contracts may have spare capacity, which could form the basis of an inter-authority delegation. Others are in a similar position to Surrey in that they have no operational final treatment facility for residual waste in county. Therefore, there are opportunities for regional inter-authority collaboration. This Annex outlines the position of neighbouring Waste Disposal Authorities.

A2. Buckinghamshire CC

A2.1 Buckinghamshire have a Public Private Partnership (PPP) contract with FCC Environment for the Greatmoor Energy from Waste (EfW) near Edgcott. Greatmoor EfW has 345,000 tonnes a year permitted capacity and in 2018/19 treated waste from: Buckinghamshire 109,000 tonnes; and, North London Waste Authority, 66,000 tonnes. Greatmoor EfW has spare capacity but this is all in a future commercial pipeline.

A3. East Sussex CC

A3.1 Veolia's Newhaven Energy Recovery Facility (ERF) has a 242,000 tonnes permitted capacity. ESCC and Brighton and Hove BC deliver around 200,000 tonnes a year leaving a theoretical additional contract waste capacity of around 40,000 (2018/19: ESCC 130,000t; BHBC 74,000t). Contract waste takes priority with Veolia sourcing commercial tonnage for its spare capacity (2018/19: Medway 3,800t; Bristol 1,300t; Croydon 700t).

A4. Hampshire CC

A4.1 Hampshire has a PPP contract with Veolia (Portsmouth and Southampton are co-clients). The contract commenced in 1997 and was for 20 years from the commissioning date of the 3 Energy Recovery Facilities that were required to be provided. These 3 ERFs came on stream in 2003; 2004 & 2005. Hence the contract was due to end in 2023, 2024, and 2025 but was extended in 2015 until 31st Dec 2030.

A4.2 Hampshire is at full contract capacity and Veolia is selling any headroom which the Councils have an income share of. However, if WCAs collect more Food Waste this could decrease Residual Waste by 15%, equivalent to around 50,000 tonnes a year.

A5. Kent CC

A5.1 Kent has a 25-year PPP with FCC EnviroPower for the Allington, Maidstone EfW, until 2030. Allington EfW has permitted operational capacity of 500,000 tonnes a year. A planning application consultation was started in October 2019 to extend the current 500,000 tonnes per annum capacity by a further 350,000 tonnes per annum, to a total of 850,000 tonnes a year.

A5.2 In 2018/19 Allington EfW treated residual waste for: Kent CC 316,000 tonnes; Surrey CC, 62,000 tonnes; LBO Thurrock 42,000 tonnes; and, Norfolk CC 11,000 tonnes. Kent has a Guaranteed Minimum Tonnage requirement of 310,000 tonnes a year and is currently disposing of 340,000 tonnes.

A6. West Sussex CC

A6.1 For Residual Waste Treatment WSCC has two contracts:

A6.2 The Materials Resource Management Contract (MRMC) began in July 2010 and was awarded, in conjunction with district and borough councils, to Biffa to provide and operate a Mechanical and Biological Treatment (MBT) and Anaerobic Digestion (AD) facility until 2035.

A6.3 The Refuse Derived Fuel Contract (RDF) was awarded to the West Sussex Britaniacrest Seneca Partnership. In April 2018 exports to Germany and the Netherlands commenced, and the contract ends in 2023 with a 5-year extension option.

A6.4 WSCC has fallen below its Guaranteed Minimum Tonnage by <5,000 tonnes but this gap is increasing. WSCC is considering its options around the MBT facility, Dry Mixed Recycling (DMR) processing, and the RDF contract extension option.

A7. Regional sites with planning permission

A7.1 The following are recent examples of commercial or merchant sites that have received planning permission in the region.

A7.2 Britaniacrest has received planning permission for an estimated 180,000 tonnes a year EfW facility adjacent to the West Sussex CC MBT site at the Wealdon Works, Horsham.

A7.3 Cory Riverside has Planning Permission for an 800,000 tonne EfW at Belvedere alongside its existing 750,000 tonnes a year EfW. This decision may be subject to Judicial Review by the Mayor of London.

A7.4 Grundon has received planning permission for a gasifier at Ford, Worthing for up to 200,000 tonnes a year. Grundon has partnered with Viridor on a consultation to extend this to 275,000 tonnes a year.

A7.5 Wheelabrator has planning permission and a permit for a 550,000 tonnes a year EfW at Kemsley, Sittingbourne.

A7.6 Whilst obtaining Planning Permission is a significant step in the process, it must be remembered that facilities still require financing, construction, and successful commissioning before becoming operational. As such there is no guarantee that these sites will become operational.

Communities, Environment and Highways Select Committee



Thursday 18 June 2020

Community Projects Fund

Purpose of report:

To provide the Committee with an update and overview on the development of the Community Projects Fund which is also the subject of a Member Task Group of the Committee.

Introduction:

1. This report provides an overview of the Community Projects Fund (CPF) which is being developed to provide capital funding to community projects across the county, and which has been developed with input from a Member Task Group of the Select Committee. A further meeting of the Task Group was scheduled on 10 June, and the findings and conclusions from that meeting will be provided by verbal update to the Committee.

Details

Background

2. The Community Projects Fund (CPF), which is to be considered at Cabinet in July, is being developed in order to bring place-making or place-improving projects to life which are:
 - Community-led projects, advocated by Surrey County Council or;
 - Surrey County Council projects, advocated by the community or partners
3. The Fund is designed to support the aims of the Community Vision for 2030, where Surrey is a place in which communities feel supported and people are able to support each other, where people feel able to contribute to their community, and no-one is left behind.
4. However, it is recognised that the Vision cannot be delivered alone - communities should feel empowered to help shape their local area. The partnership commitment of the Community Vision sets out that we will seek to involve everyone in the design of solutions, and actively encourage people and organisations to participate in community activity. The CPF will play a key role in this building of active and participatory communities, where people feel a genuine

sense of ownership of the environment around them and where a voice is given to new and underrepresented ideas.

5. The CPF builds on the lessons learned from the Council's previous experience of the Community Improvements Fund which was administered in 2014. The aim of the fund was to give local groups the chance to make bids to a funding pot of £500,000 to; improve their areas, make a real difference to people's lives and strengthen the ability of residents to independently enhance where they live. Bids were invited between the value of £10,000 and £30,000 for one-off capital schemes for community improvements.
6. The CPF is obviously a significantly larger fund, and the intention is to make a significantly greater impact with the projects that it will fund.

The Fund and its aims

7. The CPF consists of £100m of capital funding to be allocated to community projects over a five-year period. It is intended to:
 - Enable local communities to directly identify, propose and deliver projects which make Surrey's places better;
 - Make the most of community assets, upgrading facilities in order to improve cohesion and bring people together;
 - Upgrade the infrastructure around communities, to make Surrey a more connected place;
 - Build on the strength of the vibrant local communities that already exist in the county, in both urban and rural areas
 - Make Surrey a more sustainable place, addressing the challenges highlighted in the declaration of the climate change emergency
8. The Fund will support a series of projects during its lifetime that meets a set of criteria, designed to ensure the deliverability and sustainability of the proposals put forward. Residents and community groups will be invited to submit proposals, as well as post feedback on the ideas generated through a digital engagement map of Surrey, where proposals can be matched to locations across the county.
9. The Fund provides the opportunity to invest directly in communities; however, it is important to note that this is capital funding, and applications cannot be made to use the funding for revenue costs, such as for the running and administration of an organisation. It is separate to funding for programs of work where the council is carrying out its statutory function (such as highways maintenance), but where possible, the aim is for it to be allocated in coordination with, or used to leverage other funding such as Community Infrastructure Levy (CIL) or funding from other external sources.
10. The aims of the Community Vision 2030 and principles of Surrey County Council's Organisation Strategy will guide the use of the fund:
 - "Focus on ensuring no one is left behind"

- “Take a fresh approach to working in partnership”
- “Support people to help themselves and each other”
- “Involve and engage residents earlier and more often in designing and delivering services, and responding to challenges”

11. In the context of the Covid-19 outbreak, the Fund takes on new importance. Critically, the CPF could be an important tool in the recovery phase in helping to stimulate local communities and groups that have been affected. However, the continued uncertainty as a result of Covid and the negative impact on the economy does raise potential risks to the delivery of the programme that will need to be factored into the design and delivery of the Fund.

Member Task Group

12. It was agreed in March 2020 that the proposed approach to the delivery and administration of the CPF would go to the Communities, Environment and Highways Select Committee, and that a Member Task Group would be formed from Members on the Committee. The aim of the Task Group is to advise the officer steering group on:

- How can we ensure that the process for applying to the fund is streamlined, simple and accessible?
- How can we ensure the criteria provides the highest quality applications and delivers excellent community improvements?
- How should the governance and administration of the Fund be developed?

13. The first meeting of the Task Group took place on 21 May 2020 and provided input to the early stages of the development of the Fund. The Task Group were asked to consider the shape of the Fund, along with the process and criteria with a view to the Fund’s outcomes. The Group identified a series of themes and ideas which are captured in the appendix to this report, along with the work that has been or will be done to address the points raised.

14. The next meeting was scheduled for 10 June, which does not allow for the outcome of that meeting to be included in this report given Committee report deadlines. As such, a verbal update will be provided from the second Member Task Group session to the Committee at its meeting by the Chairman.

15. The following proposals reflect the input of the Member Task Group’s first meeting.

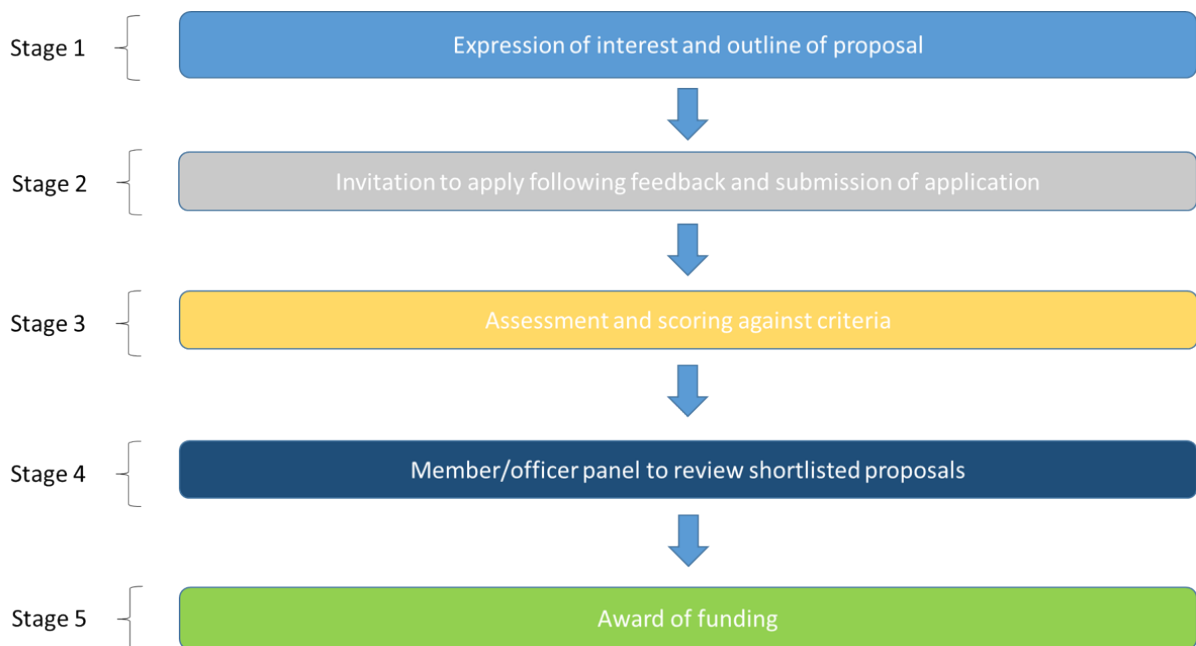
16. The process for the fund will be as streamlined as possible. It is anticipated that there will be broadly five stages to the process, although this is subject to further development with further input to be received from the Member Task Group and from Cabinet:

- **Expression of interest** – Communities will be asked to submit their ideas to the Fund via an expression of interest which will be kept as streamlined as possible.

These ideas will be assessed against the key criteria to identify those that broadly fit the criteria and which will be asked to develop further detail

- **Invitation to apply following feedback and submission of application** – Depending on the level of funding requested, the project will be required to supply further details, including evidence against the key criteria (see below), including evidence of community backing. An online platform for ideas to be posted on a map and for communities to be able to indicate their support for projects is one opportunity for demonstrating this backing, as will be letters of support from relevant local stakeholders such as the County Divisional member, the parish council (where it exists) and other local organisations
- **Assessment of applications** – There will be a scoring of projects against the full criteria by officers, and against the soon to be developed social progress index which will help to determine where community needs are greatest.
- **Member/officer panel to review shortlisted applications** – A member and officer panel will review and make a final decision on the shortlisted applications.
- **Award of funding** – As soon as possible, an award of funding will be made, with a funding agreement and monitoring programme put in place to ensure the delivery of agreed outcomes

Figure 1: Proposed process for CPF



17. The intention is that there will be multiple rounds of the CPF in a year. This will allow for the Fund to evolve over time, and for monitoring in between rounds to determine if there are parts of the county that are not receiving funding that otherwise would have been expected to be benefiting. In some cases, applications not successful in one round will be encouraged to apply for future rounds.

18. The draft criteria to be used to assess projects is set out below:

Criteria	Scoring
Reflect the aims of the Community Vision 2030	Pass/Fail
Meet financial viability checks	Pass/Fail
Do not meet any of the restrictions set out for the use of the fund	Pass/Fail
Deliverability	1 – 5
Evidence community backing	1 – 5
Potential for leverage and additional resources	1 – 5
Legacy	1 – 5
Have measurable positive outcomes	1 – 5
Value for money	1 – 5

19. Reflecting some of the comments raised by the Member Task Group, informing the assessment of bids will be an evidence base about where community needs are greatest. This is likely to be in the form of the emerging social progress index which is being developed by the Council's insight team, but which may also be supplemented by other sources of data. Best practice examples of how this has been done elsewhere for similar projects is being collated, and these examples will be shared with the Member Task Group on 10 June to inform its recommendations to Cabinet on this point.

20. Where projects are not successful for CPF funding, the intention is that, rather than SCC simply saying "no," constructive feedback is provided, and where possible, projects are connected to other funding opportunities and/or wider opportunities for further development. This development of a dialogue with communities as part of a broader conversation with communities to help connect them to opportunity is an important part of the development of the Fund.

21. An online platform will be created to support the roll out of the Fund. This platform will enable the plotting of ideas submitted, and for communities to engage in expressing their support for these projects via the platform. Reflecting the need to ensure that the Fund links to a wider reframing of the conversation with our communities, the platform will be designed and specified in a way that ensures it is joined up with other such SCC online engagement with communities where possible. However, the Fund itself will have a clear and distinct identity within that wider conversation.

Consultation:

22. A Member session was held on the Fund in February 2020. Since that time, a Member Task Group of the Communities, Environment and Highways Select Committee has been engaged in one meeting to date, and a further meeting scheduled for 10 June. Further meetings will be scheduled if required to enable the Member Task Group to provide recommendations.

Conclusions:

23. The development of the CPF represents a significant opportunity for SCC to invest in a meaningful and lasting way in communities. It is clear that there will need to be a clear balancing act between ensuring the right level of due diligence in ensuring value for money is achieved from the Fund's investments, and ensuring the opportunity to engage with the Fund and to submit ideas is as accessible as possible. The work of the Select Committee's Member Task Group will continue to provide critical input to the development of the Fund to support the achievement of this delicate balance.

Recommendations:

It is recommended that the Select Committee:

- a. Discuss the contents of the report and the proposals
- b. Receive a verbal update from the Member Task Group

Next steps:

24. The Task Group meeting on 10 June will further review the process and criteria in more detail, as well as the kinds of projects that Members feel the Fund should ideally be supporting. In addition, the Task Group will be asked to consider how funding can be fairly allocated.

25. The Member Task Group will make its recommendations when ready, which will be used to inform the final proposals developed for Cabinet's consideration of the Fund in July.

26. The CPF steering group will also be developing the governance, communications plan and resourcing plan to support the development of the Fund, an overview of which will also be reported to Cabinet in July.

Report contact: Katie Stewart – Executive Director, Environment Transport and Infrastructure

Contact details: 07989 217 782; Katie.Stewart@surreycc.gov.uk

Communities, Environment and Highways Select Committee

18 June 2020



Forward Work Programme and Recommendations and Actions Tracker

1. The Select Committee is asked to review its draft forward work programme and recommendations and actions tracker which is attached.

Recommendations:

- That the Select Committee reviews the attached forward work programme and recommendations tracker and makes suggestions for additions or amendments as appropriate.

Next Steps:

The Select Committee will review its forward work programme and recommendations and actions tracker at each of its meetings.

Report contact: Ross Pike, Committees Business Manager

Contact details: 020 8541 7368, ross.pike@surreycc.gov.uk

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Communities, Environment and Highways Select Committee

Forward Work Programme

2020/21

Date of Meeting	Scrutiny Topic	Description	Outcome	Responsible Member / Lead Officer
18 June 2020	Directorate Response to Coronavirus	An update on the impact of the pandemic on the service and its response	Members briefed on Environment, Transport & Infrastructure Directorate key activity since March 2020	Katie Stewart, Executive Director – Environment, Transport and Infrastructure
	Community Investment Fund	To review and scrutinise the details and scope of the community investment fund.	Input to the final decision taken by council to implement the fund	Tim Oliver, Leader of the council Katie Stewart, Executive Director – Environment, Transport and Infrastructure
	Waste Commissioning Strategy	This contract expires in September 2024, and SCC needs to commission new service arrangements. The outcomes from the Waste Commissioning Strategy will shape any new arrangements	Select Committee has reviewed the strategy and given feedback prior to Cabinet decision and the letting of any future contract	Natalie Bramhall, Cabinet Member for Environment & Climate Change Richard Parkinson, Environment Delivery Group Manager
16 September	Progress on Climate	For the committee to review	Assurance that progress is	Natalie Bramhall,



Communities, Environment and Highways Select Committee Forward Work Programme 2020/21

2020	Change Strategy	the council's activity since approving the strategy	being made and any obstacles are reviewed	Cabinet Member for Environment & Climate Change Katie Sargent, Environment Commissioning Group Manager
Items to be Scheduled				
2021	How the Council plans for infrastructure investment including bidding for funds	Potential task group to understand how current council processes and identify any areas for improvement	Greater understanding of current processes strengths and weaknesses. Possible recommendations to improve capability to Cabinet	Colin Kemp, Deputy Leader
TBC	Future Bus Strategy	<i>In development</i>		Matt Furniss, Cabinet Member for Highways Paul Millin, Strategic Transport Group Manager
TBC	Transport for the South East	This is a regional body undertaking work to develop a strategic, integrated		Colin Kemp, Deputy Leader of the Council

Communities, Environment and Highways Select Committee

Forward Work Programme

2020/21

		transport system in the south east. This has potential impacts for Surrey's economy, environment and society.		Katie Stewart, Executive Director – Environment, Transport and Infrastructure
TBC	Road safety in Surrey	Quantification of statistic of traffic-related deaths in Surrey to determine scope for potential scrutiny.		Matt Furniss, Cabinet Member for Highways Katie Stewart, Executive Director – Environment, Transport and Infrastructure
TBC	Surrey Environmental Partnership new climate plan	<i>In development</i>		Katie Stewart, Executive Director – Environment, Transport and Infrastructure
2021	Highways maintenance contract	A Member Reference Group has been reviewing and offering views on the council's plans for a new contract. The final options would be scrutinised by the Committee.		Matt Furniss, Cabinet Member for Highways Lucy Monie, Director – Infrastructure & Delivery

Communities, Environment and Highways Select Committee

Forward Work Programme

2020/21

TBC	Eco Park	Scoping for potential task group.		
Task Groups				
	Highways Maintenance Contract	To scrutinise, challenge and validate officers' recommendations as to what the optimal model and performance measurements for the future Highways Core Maintenance Contract will be upon re-procurement in 2021, taking into consideration quality of delivery and value for money.	The design work for the contract will have implications on the maintenance of the road network of Surrey. Designing a contract which delivers the best value for money will have significant benefits to Surrey.	John O'Reilly, John Furey, Ken Gulati, Andy Macleod, Keith Witham
April – June 2020	Community Investment Fund	The task group is aiming to answer the following questions: 1. How can we tailor our criteria to make sure that the process for applying to the fund is streamline, simple and	Ensure a clear set of criteria are in place for the fund and that the programme meets the ambitions of the council's 2030 vision	John O'Reilly, Andy Macleod, Jonathan Essex, Keith Witham, Saj Hussain, Ken Gulati Fiona White Co-optees:

Communities, Environment and Highways Select Committee

Forward Work Programme

2020/21

		<p>accessible to as many residents as possible?</p> <p>2. How can we ensure that our criteria provide us with the highest quality applications and delivery excellent community improvements?</p>		<p>Chris Botten Angela Goodwin,</p>
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Standing Items (to be considered at each formal Select Committee)

- **Update on Cabinet Member priorities-** For the Select Committee to receive an update on work that has been undertaken by Cabinet Members and areas of priority work/focus going forward

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**COMMUNITIES, ENVIRONMENT AND HIGHWAYS SELECT COMMITTEE
ACTIONS AND RECOMMENDATIONS TRACKER
JUNE 2020**

The actions and 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 meeting. Once an action has been completed and reported to the committee, it will be removed from the tracker.

24 MARCH 2020	UPDATE ON COUNCIL CLIMATE EMERGENCY RESPONSE [ITEM 4]	<ul style="list-style-type: none"> i. The Strategic Transport Group Manager to send Members relevant contact details regarding funding for local community-led bus services. ii. The Climate Change Project Manager to share with members the relevant governance document for the council's climate change strategy. iii. The Committee supports the current approach taken to develop the Climate Change Strategic Framework and Action Document. iv. The Committee supports the continuation of engagement of the council with district and borough councils with the intention to support joint endorsement across the 12 authorities. v. The Committee encourages the continued development of the actions contained within the action plan document, to develop ownership, appropriate levels of funding and key KPIs for monitoring. vi. That the Committee investigates avenues for joint scrutiny with district and borough councils to review the impact of the climate strategy and continue its development. vii. For Members of the Committee to provide comments on the Tree Strategy to Democratic Services. 	JUNE 2020	<ul style="list-style-type: none"> i. Paul Millin, Strategic Transport Group Manager ii. Esme Stallard, Climate Change Project Manager viii. Members of the Select Committee
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	COUNTRYSIDE ESTATE [ITEM 5]	<ul style="list-style-type: none"> i. The Cabinet Member for Community Safety, Fire and Resilience to circulate to members information and examples of successful established contributions schemes in other organisations. ii. The Committee expressed reservations with the business case including the continued revenue cost to the council and the council's capacity to manage the property in-house. iii. The Select Committee to review the implementation of the Cabinet decision mid-21. 	JUNE 2020	<ul style="list-style-type: none"> i. Denise Turner-Stewart, Cabinet Member for Community Safety, Fire and Resilience
	RECOMMENDATIONS TRACKER AND FORWARD WORK PROGRAMME [ITEM 6]	<ul style="list-style-type: none"> i. The Committees Business Manager to look at the timescale of the scrutiny of the fire service pension fund led by the Local Firefighters Pension Board. 	JUNE 2020	<ul style="list-style-type: none"> i. Ross Pike, Committees Business Manager

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