

Minutes



To: All Members of the Highways Cabinet Panel, Chief Executive, Chief Officers, All officers named for 'actions'

From: Legal, Democratic & Statutory Services
Ask for: Theresa Baker
Ext: 26545

HIGHWAYS CABINET PANEL 16 November 2017

ATTENDANCE

MEMBERS OF THE PANEL

P Bibby (Vice-Chairman), S B A F H Giles-Medhurst, S K Jarvis, J R Jones, J G L King, M B J Mills-Bishop, M D M Muir, R G Parker, R Sangster (Chairman), R H Smith, J A West, C B Woodward

OTHER MEMBERS IN ATTENDANCE

D Andrews

OTHERS

Independent Assessor: Steve Kent

Upon consideration of the agenda for the Highways Cabinet Panel meeting on 16 November 2017 as circulated, copy annexed, conclusions were reached and are recorded below:

Note: A conflict of interest was declared by a member of the Cabinet Panel in relation to the matters on which conclusions were reached at this meeting and are recorded at item 8.

PART I ('OPEN') BUSINESS

1. MINUTES

ACTIONS

- 1.1 The Minutes (**PARTS 1 and 11**) of the Cabinet Panel meeting held on 5 September 2017 were confirmed as a correct record and signed by the Chairman.

2. PUBLIC PETITIONS

There were no public petitions.

- 3. HIGHWAY SERVICE REVIEW:**
(i) POTENTIAL EXTENSION TO THE HIGHWAYS SERVICE TERM (RINGWAY) CONTRACT AND
(ii) POTENTIAL EXTENSION TO THE CLIENT SUPPORT TERM (OPUS-ARUP) CONTRACT

[Officer Contact: Steve Johnson, Head of Highways Contracts and Network Management (Tel: 01992 658115)]

- 3.1 Members received a report on the Highways Service Review, carried out under independent scrutiny, to establish whether to extend the existing highways contracts or to re-procure. The panel's comments were sought on the recommendation to Cabinet to extend the Highways Service Term (HST) (Ringway) contract and Client Support Term (CST) (Opus-Arup) contract.
- 3.2 The panel noted the contractual time constraints which had necessitated the review; the factors considered, the background including engagement in the review process and other considerations. The full version of the independent reviewer's Final Report, emailed to panel members prior, can be viewed at: [Highways cabinet panel -16 November 2017- App 25 HSR 2017-Independent Review-Final Report](#)
- 3.3 Officers clarified that the original contracts included the option for extension for up to 5 years. The proposal to extend both contracts was based on the current level of service performance, the stable platform and improved relationships within the service (including contractor willingness to move the service forward), combined with market uncertainty and general inflationary pressures. Members heard that the contracts did not prevent the Council from making some changes to the way work was done and there were no indications from the contractors that they were unwilling to continue to implement such changes. However, any changes would need to comply with procurement regulations.
- 3.4 Of the circa 70,000 activities carried out annually on the highway, around half were carried out by the Highway Authority and only a proportion of the latter by Ringway. However, based on correspondence and complaints received it appeared the public's perception was that all works were done by Ringway.
- 3.5 Officers highlighted that the improvement in Ringway's annual average year on year performance against contractual performance indicators (PI's) from 60-70% in 2013/14 to 90-95% in 2016/17 which, in conjunction with the service evolution to date and increasing strength of the relationship between the two contractors and the County Council, provided a more stable platform on which to further evolve the service. However, recognizing that whilst

**CHAIRMAN'S
INITIALS**

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performance against contractual PI's had improved, there was still a public perception of poor service. As a consequence a new suite of performance measures was being developed to better demonstrate performance across the whole service.

- 3.6 The panel noted that the review had revealed further evolution was required particularly in relation to improving Member and customer engagement via timely and reliable information on works delivery; other changes included contract clarification and minor changes to the works specification. As these changes were not considered significant they could be accommodated within the current contracts.
- 3.7 The Independent Assessor clarified that the limited performance data on Opus-Arup arose from the difficulty in assessing professional services which undertook background work with limited interaction with members and the public and were not judged by public perception. None the less Opus Arup's performance against cost, design accuracy and timeliness was considered acceptable.
- 3.8 Although Hertfordshire County Council was Opus-Arup's main client in the UK officers had taken into consideration the general consulting arrangements of other authorities who used them and their re procurement cycles.
- 3.9 During discussion of the information showing that Ringway was delivering improved performance and Member questions around data on the outcomes, the Independent Assessor clarified that:
- i. Although the inadequate pricing in the contractor's bid for the current (2012) Ringway contract had resulted in the challenges encountered prior to the service review in 2015, the proposals now presented should address any remaining performance refinements and enable the desired contract evolution to take place.
 - ii. Due to the recession in 2012 contracts procured at that time were inadequately priced by companies to gain work and many authorities had experienced the same problems as the County Council. The ongoing commitment of the County Council and Ringway to resolve these issues and make the contract work was emphasised. Although the same risk could apply with re procurement at the end of the current 7 year period or at the end any extension, an extension of 5 years would have the benefit of providing time to mitigate the risk.
 - iii. Performance frameworks were a relatively new concept in local authorities, were taking time to develop and were becoming more useful measures of performance. In view of this it was important to determine the future outcomes

required from the service and how these would be measured by performance indicators.

- iv. In view of the issues experienced at the start of the 2012 Ringway contract, most of the proposals in the offer centred on not insignificant financial cost avoidance rather than direct cashable savings.
- v. There was sufficient evidence to prove that Ringway was improving against its contract performance framework but, in common with the situation in other authorities, this information did not prove that better outcomes were being delivered.
- vi. There was no performance or contextual evidence to suggest that the current model was not a sound one for Hertfordshire, as opposed to bringing it back in house or total externalisation.

- 3.10 The chairman clarified that should the contract be extended, a further report would be brought to the panel outlining the changes made and improvements sought through the contract extension agreement. (S Johnson)
- 3.11 Officers emphasised that comprehensive outcome indicators were difficult to achieve hence additional subjective information had been included in the report.
- 3.12 Officers highlighted that the service evolution would include improved and more meaningful communication with the public and members on contentious issues, which affected perception of Highways performance and its reputation (e.g. responsibility for grass cutting, lamp column defects which were in fact the responsibility of UKPN, the gulley cleaning regime).
- 3.13 Subsequent to the highway service review in 2015, the implementation of a triaging system had provided better value for money by enabling work to be planned rather than reacted to; an improvement in response times had subsequently been reflected in Ringway's performance. Officers clarified that although target response times had increased in some areas the impact on Ringway's overall performance was marginal, because of the weightings applied. It was also noted that Ringway had already been achieving the pot hole response times stipulated by the contract prior to triage instigation.
- 3.14 Other service contractors / bodies consulted during the review process were identified, also other Local Authorities who used Ringway as their term contractor. Out of 14 contracts that Ringway currently have with highway authorities 8 have been extended/were being extended, 2 contracts did not include provision for extension, 1 contract was not being extended, 2 contracts were currently under review for possible extension and 1 contract was still in its

**CHAIRMAN'S
INITIALS**

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early stages and had not yet reached the review stage.

- 3.15 Members welcomed the idea for a further incentivisation scheme, linked to month on month Performance Indicator Deductions, to evolve the service to address outstanding jobs which persisted in the small percentage over and above the Ringway contractual PI's and affected public perception of Highways. Financial penalties accruing to such jobs would be identified through the system which tracked how long each job was outstanding and would be audited by sampling to identify those incorrectly closed down. If the Ringway contract was extended the detailed terms would include which issues would be covered under this scheme.
- 3.16 Members heard that significant scope remained for evolution of the contract before it was at risk of procurement regulations.
- 3.17 Following assurance that, as negotiations with both contractors were ongoing, the final list of changes made to the contracts would be brought to the panel for information and that as the new performance regime evolved panel's views would be sought on the appropriateness of new indicators, S B A F H Giles-Medhurst requested the following additional recommendation: *That a report be presented to the Cabinet Panel at a later date on the final contractual arrangements for the extension of the contracts for Ringway, Opus Arup and Hertfordshire County Council.*
- 3.18 When members reflected that, since officers would agree the final contractual documentation of the extensions, the Panel were being asked to recommend extension of a contract without knowing the final detail, officers clarified that the key principles necessary for a decision to be made had been set out for the Panel, but that the detail was set out in the supporting documentation (600 pages to date).
- 3.19 The Chairman moved the meeting into PART II (Closed Session) and passed the decision at paragraph 3.20.
- 3.20 That under Section 100(A) (4) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 3 of Part 1 of Schedule 12A to the said Act and the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

The panel agreed that the Independent Assessor should remain in the room.

**CHAIRMAN'S
INITIALS**

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3.21 Following discussion on the Part II report on the item referred to at 3 above and Recommendations, the Chairman moved the meeting back into Part I (Open Session) and considered the Part I Recommendations and made the decision at 3.22 below.

Conclusions:

3.22 The Highways Cabinet Panel agreed to recommend to Cabinet that Cabinet agree:

- (i) The Client Support Term contract with Opus International Consultants (UK) Limited and Ove Arup and Partners Limited is extended in accordance with the contract for a period of up to 5 years;
- (ii) The Highways Service Term Contract with Ringway Infrastructure Services Limited is extended in accordance with the contract for a period of up to 5 years;
- (iii) The decision to agree the final terms of the above extensions, including the contractual documentation and any necessary notices or other documents required, is delegated to the Deputy Director of Environment in consultation with the Executive Member for Highways and the Chief Legal Officer.
- (iv) That a report be presented to the Cabinet Panel at a later date on the final contractual arrangements for the extension of the contracts for Ringway, Opus Arup and Hertfordshire County Council.

[The Liberal Democrat Group and the Labour Group voted against the recommendations; there were no abstentions].

4. WINTER SERVICE CRITERIA

[Officer Contact: Richard Stacey, Assistant Network Manager (Strategy) (Tel: 01992 658115)]

4.1 Members received a report which outlined Hertfordshire’s revised criteria for winter service which took into account the changes resulting from the introduction of “Well-Managed Highway Infrastructure – A code of Practice (WMH).

4.2 The panel welcomed the improvements to the criteria but commented that it would have been helpful to see the current criteria alongside the proposed ones to better understand any differences. Officers clarified that:

- i. None of the previous criteria had been removed;
- ii. All schools had been advised of the self-assistance salt bag

**CHAIRMAN’S
INITIALS**

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- scheme and there had been a good response to it;
- iii. Scheduled bus routes did not include community buses;
- iv. Implementation of the new criteria meant that some routes currently salted would not be salted e.g. roads which no longer had a bus route and which did not meet any of the other criteria;
- v. Better promotion of the self – assistance salt bag scheme to community groups would be considered for next season.

4.3 In relation to Priority 2(a) officers agreed to:

R Stacey

- i. Insert a full stop after 'Scheduled bus routes with at least one service an hour on more than one day, School bus routes using normal sized coaches'.
- ii. The subsequent sentence to read '**A route up to a school entrance where possible**'.
- iii. Investigate the possibility of changing 'Scheduled routes with **at least one service an hour** on more than one day' to allow for less frequent services;
- iv. Consider a pragmatic approach to the salting of hamlets only just below the national criterion of 50 dwellings for a village.

Further to this, one route up to the entrance of each school would be salted (this would be clarified in Priority 2(a)) and the local member would be consulted on the best route for this salting.

4.4 Subsequent to production of the salting maps Members would be able to review any issues with officers.

Conclusions:

4.5 The Highways Panel unanimously agreed to recommend to Cabinet that Cabinet agree the winter service criteria set out in paragraph 4 of the report for implementation in 2018/19' (subject to changes agreed at the meeting).

5. HIGHWAYS SERVICE FUNDING STRUCTURE

[Officer Contact: Mike Younghusband, Head of Highways Operations and Strategy (Tel: 01992 658171)]

5.1 The panel received a report which proposed a new funding structure for the Highways Locality Budget (HLB) portion (£90K per member) of the Highways Service from 2018/19, to release revenue funding for annual campaigns of routine maintenance and so avoid the need to fund future Restoration projects.

5.2 Members heard that the HLB revenue portion could be spent on anything, however the capital portion could be spent only on projects that substantially increased the useful life or market value

CHAIRMAN'S INITIALS

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of the highways assets (i.e. physical assets).

5.3 As more HLB was spent on capital activity than the budget and less on revenue activity, increasing the capital element of HLB from £62.7k to £77k per member would release ca. £1m of revenue funding for routine maintenance; the £77 K to be committed in advance of the following year as per current timetables and current capital activity definitions.

5.4 It was emphasised that ad hoc ordering of high volume, low value routine maintenance works, from the revenue budget of the HLB scheme, was inefficient and would be replaced with officer led themed 'campaigns' called Category 6. Members would receive a standard £13k to spend in-year on any non-capital activity. More could be spent on revenue activity (by requesting a funding swap up to maximum overall revenue spend of £26K) or less than the £13k. To enable works and budgets to be planned members must define and commit to the work by the end of December prior to the year in which it was spent.

5.5 Highway Locality Officers would brief members on what constituted capital and revenue before they made their commitments.

M
Younghusband

5.6 Officers agreed that, to assist members in planning their spending and dealing with constituents' priorities, they would share with them the Forward Works Programme of Cat 4 schemes, but on an informal basis to avoid potential public misinformation.

M
Younghusband

Conclusions:

5.7 The Panel unanimously endorsed the proposal for a revised funding structure.

HIGHWAYS DRAINAGE GULLY EMPTYING AND CLEANING SERVICE

6. [Officer Contact: Peter Simpson, Senior Asset Manager & Team Leader (Operations), (Tel: 01992 658170)]

6.1 Members received a report seeking their views on the proposed revised gully emptying and cleaning service to improve its effectiveness and efficiency whilst ensuring affordability and sustainability.

6.2 Officers highlighted that under the 18 month cycle some gullies were being cleaned whether they required it or not whilst others required more frequent cleaning. Under the new model based on silt levels, gullies with silt levels recorded as good would be moved

**CHAIRMAN'S
INITIALS**

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to a 24 month cleaning cycle. The resources saved would be focused on blocked gullies which would be cleared within a maximum of 12 months of begin reported / identified and linked to a Ringway KPI. This was a significant improvement as there was currently no commitment to unblock gullies unless they caused drainage problems which would affect a property or person.

- 6.3 Members welcomed this first step towards addressing public concerns about blocked gullies, including the ability to report them as of 18 April 2018 and view web maps of them by 1 October 2018.
- 6.4 Officers confirmed that to avoid obstruction by parked cars residents were alerted to planned gulley cleaning via notices and letters, the police were informed and the District Councils had powers to suspend parking controls and move obstructing and abandoned vehicles out of the way. To assist coordination of issues in regard to obstructing and abandoned vehicles officers agreed to emphasise the need for the police to disseminate this information to the appropriate police officers.
- 6.5 The panel were reminded that information on flooding was available on web maps and via the environment agency; officers concurred that reporting on homes at risk of flooding could be improved via fault reporting at Members Advisory Group (MAG).
- 6.6 Members suggested that with better communication, the relatively quick process of gulley cleansing could also be coordinated with road closures already planned by contractors. Officers advised that this was already part of the 'one & done' approach.

P Simpson

Conclusions:

- 6.7 The Panel recommended to cabinet that cabinet agree to:
 - i. Endorse the proposed revisions to the gully emptying and cleaning service as set out at 7.1 to 7.3 of the report.
 - ii. Endorse the proposed changes to the highway fault reporting system as set out at 7.5 and 7.6 of the report.

7. SPEED INDICATOR DEVICE CRITERIA

[Officer Contact: Paul Gellard, Highway Locality Manager,
(Tel: 01992 658142)]

- 7.1 The panel received a report which sought their agreement to revised criteria for the future installation of solar powered Speed Indicator Devices (SIDs) from members' HLB funds.

CHAIRMAN'S INITIALS

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- 7.2 The criteria were explained and members heard that due to the proliferation of SIDs in the county (188 to date) and the pressures on spending there was now a need to demonstrably prove that each SID was of benefit to the Highway user. Where the criteria were not met members had the option of funding the installation of a SID for a perceived community need from their Locality Budget.
- 7.3 Members variously commented that:
- The decision to fund a SID should be at the discretion of the local member rather than being a matter of meeting criteria;
 - The public welcomed SIDs;
 - Visual observation of decrease in vehicular speed supported the value of SIDs;
 - The changes would result in a proliferation of SID requests before the start date of the new criteria;
 - A proliferation of SIDs would make them commonplace and reduce their effectiveness;
 - The point of public indifference to SIDs had not yet been reached;
 - The Locality Budget of £10,000 would purchase very few SIDs;
 - Issues around implementation of the criteria had not been fully considered.
- 7.4 Officers agreed to provide members with a breakdown of the cost of supplying and installing a SID, funding a socket, SID relocation. P Gellard
- 7.5 The Police and Crime Commissioner had agreed to the criteria and as such a speed survey would be required before a Community Group could bid for Police and Crime Commissioner funding for a SID.
- 7.6 During discussion officers clarified that:
- i. As of the cut-off date, every new socket location would require a speed survey irrespective of the source of funding;
 - ii. SIDs could be moved between established socket locations without the need for a speed survey;
 - iii. SIDs and their accompanying sockets which had been ordered prior to the cut-off date (including those already ordered from the 2018/19 HLB budget) would not be affected by the new criteria;
 - iv. Failed SIDs installed at socket locations established prior to the cut-off date could be replaced without the need for a speed survey;
 - v. Installation of a SID at a site which did not meet the criteria for funding from the HLB, could be funded from the member Locality Budget or by other means;
 - vi. Highways would not fund the cost of replacement SIDs.
- 7.7 Members heard that SIDs did not undergo routine fault inspection

**CHAIRMAN'S
INITIALS**

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however officers would attend fault reports, could identify faulty ones when passing and also when downloading SID recorded data.

7.8 It was highlighted that due to data control and data volume issues officers needed to control the downloading of data from SIDs and transfer of the data to the Police.

7.9 The chairman accepted S B A F H Giles-Medhurst's amendment that the cut-off date at recommendation 3.2 be amended to 1 April 2018.

Conclusions:

7.10 The panel:

1. Endorsed the revised criteria for the installation of solar SIDs from Highway Locality Budgets as follows:
 - i. The average speed has to be above the posted speed limit, or
 - ii. The 85th percentile speeds have to be over the Association of Chief Police Officers guideline values (now known as the National Police Chief's Council). e.g. in a 30mph limit, add 10% of posted speed limit and an additional 2mph = 35mph (see Table 1)
 - iii. Data provided by the County Council or Police will be used which has been collected over a 7 day period. It will be possible to use historical data if there has been no significant change to the environment since the data has been collected (see section 6.2.3)
 - iv. Only on roads with posted speed limits of 40mph and below. Above 40mph will only be considered where a case study has been provided for assessment.
 - v. The sign location is suitable from a highways safety perspective as set out in Table 2.
 - vi. Should the criteria referred to above not be met, members have the option to fund the installation of a SID from their Locality Budget.
2. Endorsed that the revised criteria were brought into operation by 1 April 2018.

[The Labour group voted against the recommendations and the Liberal Democrat group abstained from the vote].

**CHAIRMAN'S
INITIALS**

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8. HIGHWAY AUTHORITY ROLE IN PLANNING APPLICATIONS

[Officer Contact: Mark Youngman, Group Manager
(Tel: 01992 588024)]

M B J Bishop declared a declarable interest in relation to item 8 of the agenda as he is the Leader of Broxbourne Borough Council. He remained in the room and participated in the debate and vote.

- 8.1 The panel received a report which summarised the Highway Authority's role in dealing with planning applications.
- 8.2 Members heard that the report covered how Highways policies were applied when considering planning applications and how competing needs and pressures were balanced. Officers also requested points of discussion for a workshop between the chairmen of the Highways cabinet panel and the Environment, Planning and Transport cabinet panel with their District Council counterparts to improve their relationship and effectiveness of Highway related planning issues which could fall between them and be exploited by developers.
- 8.3 Members welcomed the initiative in view of the fact that some planning authorities were not good at ensuring conditions requested by the County Council development management team were imposed on the planning permissions and in some instances left them off completely.
- 8.4 The panel commented that Members could provide local intelligence on potential developer damage to the highway, which in the past it had not been possible to pursue due to lack of evidence on the area condition prior to the commencement of work. Concomitant with this, Highways would need to be rigorous in pursuing these issues with the developers and the new occupiers.
- 8.5 Members heard that highways officers selectively attended District Planning Application meetings however attendance was constrained by manpower issues. To deal with these situations and the issue of Highways development management team conditions on planning applications being obscured by the phrase 'Highways have not objected', Members suggested that officers formally request that Highways conditions were incorporated into district council planning officer's reports.
- 8.6 Whilst Members were consulted around planning applications for large developments a more pro-active mechanism for providing Local Members sight of the responses was requested. M Youngman

**CHAIRMAN'S
INITIALS**

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8.7 It was noted that details of more modest planning applications were also available to Members on request. M Youngman

8.8 It was noted that the mechanism for considering the cumulative wider impact of large developments was via the Local Plan making process, so close working between the County Council and the Local Planning Authorities was needed to achieve this.

Conclusions:

8.9 The Panel noted and commented upon the report and identified issues that it would like the Executive Member workshop to consider.

9. HIGHWAYS PERFORMANCE MONITOR

[Officer Contact: Steve Johnson, Head of Highways Contracts and Network Management (Tel: 01992 658115)]

9.1 Members agreed to defer this item of business until the next meeting of the Highways cabinet panel.

OTHER PART I BUSINESS

There was no other PART 1 (public) business.

**KATHRYN PETTITT
CHIEF LEGAL OFFICER**

CHAIRMAN _____

**CHAIRMAN'S
INITIALS**

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