

ECONOMY AND ENVIRONMENT COMMITTEE: MINUTES

Date: Tuesday 8th September 2015

Time: 10.00a.m. to 11.35p.m.

Present: Councillors: J Clark, E Cearns (Vice-Chairman), D Connor (substitute for Councillor Harford), R Henson, N Kavanagh, A Lay, M McGuire, J Schumann, M Shuter, A Walsh and J Williams.

Also present: None.

Apologies: Councillors: I Bates (Chairman), L Harford and M Mason

In the absence of the Chairman, Councillor Cearns as the Vice Chairman took over as Chairman for the meeting

151. DECLARATIONS OF INTEREST

None

152. MINUTES AND ACTION LOG

The minutes of the meeting held on 14th July 2015 were agreed as a correct record.

In respect of the action under Minute 146 'Committee Training Plan' to include in the New Communities training information on how the viability of Section 106 / CIL agreements were secured / calculated, it was confirmed as an oral update to the action log entry that the programme for that day would include this information. The Training Plan included later on the Agenda had been updated accordingly.

It was unanimously resolved:

To note the updates on the Minutes Action Log.

153. PETITIONS

None were received.

154. CAMBRIDGESHIRE'S STRATEGY FOR FLOOD RISK MANAGEMENT (2015-20)

This report sought approval to the update of Cambridgeshire's Strategy for Flood Risk Management (2015 - 2020) and to agree a delegation regarding future responses to the Department for Environment, Food and Rural Affairs (DEFRA) and the Environment Agency consultations and announcements on the Strategy. The latter was required as responses were often requested at short notice, and the time scale to provide a written response (usually four weeks) often did not coincide with an available Committee meeting to seek agreement to the proposed response.

It was highlighted that the updated Strategy contained two key changes:

- A revised assessment of areas in the County vulnerable to surface water flooding. This update was approved by the Economy and Environment Committee on 13th January 2015.
- A section on the new duties placed on the Council as a statutory Consultee for Sustainable Drainage. A report updating members on this duty and the planned approach was approved by the Economy and Environment Committee (E and E Committee) on the 26th May 2015.

A public consultation was undertaken between June and July 2015, with the details as set out in the report. The comments from the respondents were generally positive and supportive, and only minor amendments were therefore required. At the time of the report's publication, the Strategy was going through the required approval processes with the Cambridgeshire Flood Risk Management Partnership (CFRMP), who had met the previous day to the Committee meeting. An oral update indicated that all organisations represented at the Partnership meeting had supported the Strategy.

Owing to the tight timescale for Government consultations, it was not possible to present a written consultation response to the Committee for its approval and hence for this response and future responses where there was not an appropriate Committee meeting available, it was proposed that the responses should be approved through delegation to the Executive Director, Economy, Transport and the Environment (ETE) in consultation with the Chairman and Vice Chairman.

Comments by Members included:

- Highlighting the problems some parish councils had in receiving responses from Anglian Water in relation to flooding issues they had raised, with a request made that the County Council should work with parish councils to help improve the quality and timeliness of responses. In response, it was explained that as the County Council was the lead local flood authority, it had the power to challenge the quality of service provision provided, with the water authority having a duty to respond to issues raised. What was required for the Council to pursue outstanding issues, was the reference number issued by Anglian Water to the complainant. The Business Manager – Flood and Water indicated her willingness to take up outstanding issues on behalf of parish councils.
- An explanation was requested on the wording for the text in the fourth bullet set out in paragraph 2.1 reading "Helping Cambridgeshire's citizens to manage their own risk". In response, information was provided regarding the steps taken to make people aware of how they could help themselves and avoid some forms of flooding through ensuring drains were kept clear. Reference was made to householders' riparian responsibilities to ensure watercourses adjacent to their property remained free-flowing. Information was also provided regarding how communities were being encouraged to appoint their own voluntary flood wardens and establish flood groups.

- Noting the move away from using ratios to estimate the likely flood risk to showing it as a percentage chance in any given year. e.g. 1: 200 year flood event to a 0.5% flood event,

It was resolved unanimously to:

- a) Approve Cambridgeshire's Strategy for Flood Risk Management 2015-2020; and,
- b) Delegate the approval of responses to Environment Agency and DEFRA consultations on the Strategy to the Executive Director, Economy, Transport and Environment in consultation with the Chairman and Vice Chairman of the Economy and Environment Committee.

155. FINANCE AND PERFORMANCE REPORT – JULY 2015

This report provided the Committee with an opportunity to comment on the projected financial and performance outturn position as at the end of July 2015.

It was highlighted that at the end of July, Economy, Transport and Environment (ETE) was forecasting a year-end overspend on revenue of £427,000 with the cost centres under the stewardship of the E&E Committee forecasting a year-end overspend of £270,000. In relation to the budgets under the stewardship of the Committee, the one significant forecast variance reported was in respect of Park and Ride parking fee income, where an overspend of £260,000 was being forecast as a result of reduced income levels as a consequence of usage of the sites being lower than the projected level, following the introduction of a parking fee.

At the end of July, ETE was forecasting an underspend on Capital of £17.336m. In relation to the budgets under the stewardship of the Committee details were provided in paragraph 2.5 of the report and in subsequent appendices, of the areas of underspend which were in relation to: cycling schemes; Huntingdon West of Town Centre Link Road; Ely Crossing and the Guided Busway.

It was highlighted that although the County Council, had already received £20m worth of grant funding for the City Deal, the nature of the schemes meant that the majority of the expenditure would take place in the latter years of the initial five year period. Approval was sought for the budget to be re-profiled over the five years, based on estimated planned spend, with £2.5m being retained in 2015/16.

In relation to the twelve E&E Committee performance indicators set for 2015-16, due to the early point in the year, data was only available for nine of these, one was currently showing as red, none amber and eight green. The indicator that was currently red was the number of local bus passenger journeys originating in the authority area. At year-end, the current forecast was that none of the indicators would be red, three would be amber and six green.

Arising from the report:

- With reference to paragraph 3.2 on the slippage on a number of cycling schemes funded by Section 106 developer contributions slipping into 2016/17 and the statement that they were “partly due to (staff) resources being required for City Deal schemes”, there was a request by the two Committee members representing Norman Cross for an update on the compulsory purchase order agreed previously to progress the Yaxley to Farcet cycling scheme. It was explained that this scheme was not affected by the City Deal with officers accepting that the text as written, was misleading, and would be looked at for future reports. Officers agreed to provide an update outside of the meeting. **Action**
- In debate there was general consensus that local members were not being kept up to date regarding delays in cycle schemes. In addition, some Members requested information should be made available to the relevant local members and the Committee on the status of all the cycling schemes programmed for the future. **Action:** Officers agreed to provide to the Committee an update on both the delayed cycle schemes and those schemes included in the second phase.
- One Member suggested that the figures showed a greater reduction in Park and Ride patronage than the Committee had previously been aware of when they had reviewed the implementation of park and ride parking charges. The same member commented that the measures to attract back patronage following the introduction of parking charges, appeared to have not been successful. In further discussion it was clarified that patronage had not decreased further, but nor had it shown any sign of recovery. As the 2015/16 Business Plan had assumed a growth in patronage and hence parking income, there was therefore a larger shortfall anticipated against the Business Plan in the current financial year than had been reported for the previous year. It was also pointed out that if the parking charge had not been introduced, the Council would have had to have found an additional £800k per annum from other savings. As previously reported officers had not identified any one main reason for the continued flatlining in passenger numbers, but it was suggested that it could be the result of a variety of factors including greater use of on-line shopping; increased car shares and parking in side streets.

One Member sought additional information in relation to the City Deal finances and whether it was impacting on Council budgets. An explanation of the finances of the three Councils and business partner representatives involved was provided orally, with the intention to provide a more detailed note to Members outside of the meeting. However discussion later on in the meeting suggested that the best way to brief members on the finances and current programme would be to have a substantive item included on a future Friday Members’ Seminar. **Action**

- One Member queried whether the delay in cycling schemes was partly down to the contractors / sub contractors not being on site for considerable periods of time during the week, the Hills Road second phase works being cited as an example. In response it was explained that cycling schemes were very labour intensive compared to other construction projects, such as building a bridge, with work limited to off-peak periods, and that while it was recognised that the contractor had fallen behind on some scheme target dates, they were also undertaking work at night and at weekends to reduce the delays.

Having reviewed and commented upon the report which included expressing disappointment at the delays on some of the capital schemes,

it was unanimously resolved:

To agree to support the re-phasing of the City Deal Department for Communities and Local Government grant as detailed in this report, and refer it to General Purposes Committee for approval.

156. SERVICE COMMITTEE REVIEW OF THE DRAFT 2016-17 CAPITAL PROGRAMME

This report provided the Committee with an overview of the Draft Business Plan Capital Programme for Economy, Transport and Environment providing the Committee with the opportunity to review the plans. It was explained that the Council was focussing its strategic planning on seven outcomes and five enablers in order to find new ways of meeting the needs of Cambridgeshire's communities. Work being undertaken on the Council's Operating Model - which was looking at what the organisation needed to look like by 2020-21 in order to deliver its outcomes in the context of a significant reduction in available resources - was expecting to generate several invest to save/earn capital schemes.

Tables in the report showed how each Service's borrowing position had changed since 2015/16 Capital programme was set and the reasons for the changes, along with the revised levels of borrowing and the level of financing costs that would be incurred. The Committee noted that the revised draft Capital Programme for Economy, Transport and Environment (ETE) was as follows:

Capital Expenditure	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	Later Yrs £'000
Economy, Transport and Environment	91,539	71,114	44,956	43,688	23,302	39,727

The above was anticipated to be funded by the following resources:

Funding Source	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	Later Yrs £'000
Grants	57,487	44,612	39,366	35,266	16,266	24,000
Developer Contributions	5,234	3,054	2,825	2,217	634	12,249
Other Contributions	9,789	520	0	0	0	0
Borrowing	19,073	23,712	4,085	6,985	6,032	14,438
Borrowing (Repayable)*	-44	-784	-1,320	-780	370	-10,960
Total	91,539	71,114	44,956	43,688	23,302	39,727

* Repayable borrowing nets off to zero over the life of each scheme and is used to bridge timing gaps between delivery of a scheme and receiving other funding to pay for it.

The following table as shown overleaf was noted showing how ETE's borrowing position had changed since the 2015-16 Capital Programme was set:

Borrowing Figures	2016-17 £'000	2017-18 £'000	2018-19 £'000	2019-20 £'000	2020-21 £'000	Later Yrs £'000
Previous borrowing as per 15/16 plan	25,100	3,544	4,185	6,085	6,347	15,357
Proposed borrowing	19,073	23,712	4,085	6,985	6,032	14,438
Change in borrowing	-6,027	+20,168	-100	+900	-315	-919

The full list of ETE capital schemes was shown in the draft capital programme at appendix one of the report. Table 4 listed the schemes providing a description and with funding shown against years, while Table 5 showed the breakdown of the total funding of the schemes. Section 5.6 of the report provided details of the changes to the following existing capital schemes: Ely Crossing, King's Dyke, Guided Busway, City Deal and Investment in Connecting Cambridgeshire.

Issues raised by Members included;

- Querying whether enough money was allocated in bids for the full cost of administration /staffing resources to enable delivery of a scheme on time. In addition, as the report did not provide details of vacancy rates, the same Member queried whether salaries were high enough to retain / attract staff and whether more work should be allocated to the private sector. In reply it was explained that all existing contracts fully recovered staff and overhead costs, while the question of whether staff salaries were high enough was a different issue. The point was made that even when commissioning outside the Council for design jobs etc a level of in-house staff was still required to manage costs and monitor contracts.
- While not an issue for the Economy and Environment Committee, (as it was the area of responsibility for the Highways and Community Infrastructure Committee who had agreed to receive a report at a reserve meeting date in October on the Ely Hub / Archives project), as it was included in the report the Vice-Chairman allowed discussion regarding the reasons around the 50% cost increase.

A Member questioned whether other buildings laying empty in Fenland, having been previously vacated, should have been considered. The same Member also questioned whether spending such large amounts could be justified in the present financial climate. In response it was explained that a detailed analysis had been undertaken of suitability of a number of different buildings /options including those referred to by the Member (Hereward Hall and Fenland Hall) as well and other sites such as Orchard Park. Many were subsequently ruled out as not meeting the needs of a modern archive facility, including those that would have required extensive, expensive, strengthening works to deal with the heavy loads involved, in addition to accessibility and proximity to Cambridge. There had also been a time imperative, as

the Council had been under notice from the National Archive that unless the archive could be moved to a place where it could be maintained in a good condition by the end of the year, its contents could be taken away and stored, with the Council charged substantial ongoing storage costs which would result in greater costs and reputational damage.

In further discussion it was explained that the initial cost estimates had not included the costs of other services being relocated to the building, which had been a more recent decision. In further discussion, Members questioned the current effectiveness of the Making Assets Count Programme and whether enough of a joined up approach was taken when making relocation decisions, regarding being provided with details of the financial implications for the relevant service area.

While recognising it was not within the Committee's decision remit, as it was of such interest to all members on the committee there was a request for an update on the Ely Hub in due course. **Action**

Having provided comments on the contents of the report:

it was unanimously resolved:

- a) to note the overview and context provided for the 2016-17 Capital Programme for Economy, Transport and Environment
- b) To note on the draft proposals for Economy, Transport and Environment's 2016-17 Capital Programme and endorse their development

157. ECONOMY AND ENVIRONMENT COMMITTEE TRAINING PLAN

At the meeting of the Council held on 24 March 2015, it was agreed that each service committee should consider and approve its own training plan at every meeting.

The latest version of the Plan was included with attention drawn to the change on the date of the Budget seminar which while still being shown as having taken place on 12th August was re-arranged and held on 3rd September, with a further joint ETE Budget seminar involving both the Economy and Environment Committee and Highways and Community Infrastructure Committee having now been scheduled for 22nd September.

In respect of the proposals for the content of the New Communities training slot, one Member highlighted that as a result of the Planning Inspector currently refusing to separate the Community Infrastructure levy (CIL) from South Cambridgeshire District Council's proposed Local Plan, there could be a delay in them operating the CIL and the training day should provide Members with the most up to date position **Action**

The Vice-Chairman also sought an update on the work being undertaken by the Corporate Services team to ensure equality and diversity implications were addressed at each seminar. **Action**

It was unanimously resolved to:

Note the updated Training Plan.

158. ECONOMY AND ENVIRONMENT COMMITTEE SERVICE COMMITTEE AGENDA PLAN AND APPOINTMENTS TO INTERNAL ADVISORY GROUPS AND PANELS PARTNERSHIP LIAISON AND ADVISORY GROUPS AND THE HEALTH AND WELL BEING CHAMPION

There were no appointments requiring decisions in the current report.

On the agenda Plan Democratic Services provided the following update:

Additional Non key Decision report addition to the November meeting titled; "Response to Cambridgeshire and Peterborough Clinical Commissioning Group public consultation on the future model for Non-Emergency Patient Transport Services in our area".

In discussion on the above report and the response to be produced, the Committee's Health and Transport Champion Councillor Schumann identified the need for a joint response. He requested that this should involve consultation with the Chairman of the Health Committee and himself, before it came back to the 17th November Committee for final decision, in advance of the consultation deadline. (19th November). The Service Director, Strategy and Development agreed to set up a discussion meeting as suggested, to also include the two Committee's Chairmen and Vice Chairmen. **Action**

As already discussed at the most recent spokes meeting, as no decision reports required to be submitted to the reserve October Committee meeting, Members agreed that the meeting should be cancelled and the Democratic Services officer asked to issue a formal electronic cancellation to the Committee Members. **Action**

The Vice Chairman indicated that the work by the working group to seek solutions to encourage firms to employ offenders who had been through the criminal justice system was progressing, with a report expected to go forward to a forthcoming spokes meeting.

It was resolved

- a) to agree the agenda plan with the oral updates provided;
- b) to approve the cancellation of the reserve October Committee meeting date

159. DATE OF NEXT MEETING 10AM TUESDAY 17TH NOVEMBER 2015

Noted.

Chairman
November 2015