

## **ECONOMY AND ENVIRONMENT COMMITTEE: MINUTES**

**Date:** Thursday, 23<sup>rd</sup> April 2020

**Time:** 10.00 a.m. to 11.01 a.m.

**Present:** Councillors: D Ambrose Smith H Batchelor, I Bates (Chairman), D Connor, R Fuller, M Howell (substituting for S Tierney), N Kavanagh, P McDonald, J Williams and T Wotherspoon (Vice-Chairman)

**Apologies:** Councillor: S Tierney

The Chairman welcomed the public to the first virtual public meeting of the Economy and Environment Committee since the emergency legislation passed during the current Covid-19 crisis by Parliament which, for the first time, allowed such meetings for the conduct of formal Local Government business.

### **320. DECLARATIONS OF INTEREST**

None.

### **321. MINUTES**

The minutes of the meeting held on 5<sup>th</sup> March 2020 were agreed as a correct record and signed by the Chairman.

### **322. MINUTE ACTION LOG**

An issue was raised regarding the response included under Minute 310 b) Public Question to Sam Davies regarding Fendon Road Roundabout which suggested that an update report would be presented to the May Committee meeting which was contradicted on the agenda plan which suggested the report would come forward to the June Committee meeting. It was clarified that due to the need to prioritise reports for decision, the referenced report which would include an update on all Section 106 funded Cambridge capital schemes, had slipped to the June meeting.

The Minutes Action Log was noted.

### **323. PETITIONS AND PUBLIC QUESTIONS**

No petitions or public questions were received by the Constitution deadline.

### **CHANGE IN THE ORDER OF THE AGENDA**

The Chairman notified the Committee of his intention to vary the order of the agenda to take the two information reports, one of which was the late circulation report on the Council's response to the Covid-19 pandemic as the next two items on the agenda and take the key decision report on Kings Dyke closure as the last item.

### 324. CAMBRIDGESHIRE COUNTY COUNCIL'S RESPONSE TO COVID-19

The Chairman explained that since the original agenda despatch, Officers had been asked to bring a report on the Covid-19 response to date for those services for which each Policy and Service Committee was responsible. A similar report would be brought to each future meeting until further notice. Given the rapidly changing situation and the need to provide the Committee and public with the most up to date information possible, the Chairman had accepted this late report, not listed on the original agenda, through the discretionary powers granted to chairmen under the Local Government Act 1972.

The report included details on:

- Cambridgeshire and Peterborough Local Resilience Forum (CPLRF) setting up a Strategic Coordinating Group (SCG) to coordinate the multiagency response to the pandemic at a strategic level.
- the Council's response to the current Coronavirus pandemic including: the information updates being provided to Members on a weekly basis; the arrangements being made to hold virtual meetings having agreed a Virtual Meetings Protocol; a protocol for the costs associated with the management of Covid-19, the plans to mitigate against the potential impacts and key risks to ensure the continued delivery of effective critical services;
- the immediate action being taken by Place and Economy as detailed in paragraph 5.1 of the report to respond to the pandemic and to ensure business continuity of critical services managed by the Directorate;
- the Council's new internal Covid-19 risk log and actions to ensure that risk management plans take into account potential impacts of the pandemic. management approach;
- the Council's initial approach to recovery through a Recovery Framework as set out in paragraph 7.3 of the report.

Questions / issues raised included:

- Asking what measures were being taken by local bus companies to protect their drivers. The Service Director Highways and Transport noted that from observation, drivers were not wearing masks and that he would contact the local bus companies to establish what safeguarding measures were being taken. **Action: Service Director for Highways and Transport Graham Hughes**
- Regarding the current closure of household recycling centres, whether there was a target re-opening date? It was explained that in line with current Government advice on social distancing and only making essential journeys, they had been closed due to the difficulties of social distancing and as they were not currently classed as a critical service requiring to be kept open. As officers were aware of the pressures for the Service to be reopened as soon as practicable due to the pent up demand, a draft plan had been drawn up and was currently being finalised, which aimed to ensure a co-ordinated approach with other partner authorities to re-opening, once current Government restrictions were lifted. It was important that any opening was co-ordinated with other authorities, as if there was a unilateral approach, those opening early could be swamped once the public became aware. Other important considerations included having appropriate traffic management measures in place.

- Asking what measures were being taken to support local businesses, as the economic impact of forced closures was seismic. It was highlighted that South Cambridgeshire District Council were looking at how to support local business's beyond providing government grants and asking whether the current Combined Authority Mayor's Forum and the Resilience Forum Strategic Co-ordinating Group and other support structures were considered sufficient to deliver economic support to businesses. It was explained that a template for business recovery had been developed and additional ways businesses could be supported were being looked at. The first step was to ensure that the relevant Government grants were being passed on to local businesses and the Hospitality sector. It was indicated that grants to support the sector were achieving good progress, with an expectation that 90% would be distributed by the end of the month. At the same time, a considerable amount of joint work was being undertaken with the Combined Authority looking at the impact of the crisis on different business sectors within the County, with the Mayors Forum being the appropriate body to escalate particular identified issues of concern up to Central Government. The Executive Director confirmed he believed that what was already in place was the right approach. The Member who raised the issue suggested that progress in this area would need continued monitoring by the Committee and updates provided as part of the Covid-19 report for each meeting.
- Councillor Williams referencing paragraph 4.7 (f) on optimising staff and volunteers indicated that in South Cambridgeshire there was some confusion regarding sourcing people from the pool created by County Council's co-ordinated volunteers hub. He understood that there was an app to gain access and requested further details. In reply it was explained that there was a volunteer hub in each district, as well as the County Council co-ordination hub but that officers would seek more details on how local organisations could gain access to such volunteers. **Action: Steve Cox the Executive Director Place and Economy undertook to follow up and obtain more detailed information for the Member.**
- As an issue raised by Cambridge residents to one Member and also to the Leader of the Council, clarification was sought regarding officers current thoughts on the request for making more space available on roads for cyclists / pedestrians, now roads were not being used so heavily, and also whether consideration should also be given to closing some streets during the lock down as this had already happened in other places. It was recognised by the Member raising it that it would have cost implications. In response, Officers explained that they were aware of the request and looking into it but could not, at the current time, give an answer as they were still analysing all the data, including current volumes of traffic on the network. While it was recognised that traffic had reduced in many areas no final view had yet been reached. In addition, Officers were consulting with other partners, such as the Greater Cambridge Partnership, to ensure a final, balanced view was reached. Issues that also had to be taken into account were to ensure continued access for key workers travelling to their work place by car or on public transport, and the need to ensure businesses still operating under the Government's essential business criteria were not impeded. A response was being prepared, and when sent, would also be copied to the Committee. **Action: Graham Hughes / Richard Lumley Service Director Highways and Transport**

- On the issue of volunteers, it was highlighted that approximately 60 staff from Place and Economy had been redeployed away from their day job to the Volunteers Hub to help support the work in areas such as the contact centre and testing centres. The Chairman, on behalf of the Committee, wished to place on record the Committee's thanks for the work being undertaken by Highways and Transport staff in helping support the most vulnerable in the County, and asked that the Committee's thanks be passed on to the Staff. **Action Executive Director.**

Having commented on its contents,

it was resolved unanimously:

to note the progress made to date in responding to the impact of the Coronavirus.

### **325. AGENDA PLAN AND APPOINTMENTS TO OUTSIDE BODIES**

It was resolved unanimously to:

- a) Note the agenda plan.
- b) Note that in line with the agreed Committee delegation on any outside appointments required to be taken urgently between Committee meetings, the Executive Director in consultation with the Chairman and Vice Chairman agreed to confirm an amendment made to the membership of the St Neots Master Plan Steering Group to replace Councillor Gardener with Councillor Wisson.

### **326. KINGS DYKE LEVEL CROSSING CLOSURE SCHEME**

Following a significant increase in the proposed construction contract price from the previous contractor on the Kings Dyke scheme, the Committee on 15<sup>th</sup> August 2019 approved the procurement of a new Design and Construction Contract. The current report informed the Committee of the outcome of the procurement process, seeking Committee's approval to award the contract to the preferred bidder, subject to the approval of further funding by General Purposes Committee.

The report background explained that the Committee in August 2019 had agreed that the procurement exercise should proceed as an open market, New Design and Build Construction contract tender conducted as a European Union (EU) tender, as the estimated contract value was above the European Procurement threshold. A restricted two stage tender process was followed. A total of nine submissions were received and evaluation of these resulted in six tenderers successfully passing the Selection Questionnaire (SQ) stage. A four month tender period then followed, with the detail as set out in the report.

The tender required a quality submission to demonstrate how the contractors proposed to build a high quality product to meet County Council requirements, along with a target cost for the design and construction of the scheme. The scores for each component were then combined to give an overall score calculated on a ratio of 60% price to 40% quality to identify the preferred bidder with the overall result of the evaluation set out in Table 1 of the report. From the table it was highlighted that Bidder 1 had provided the

most economically advantageous tender and also scored highest in both financial and quality assessments.

Whilst the overall estimated budget required to deliver the scheme had reduced by almost £10 million from the previous tender exercise (£32m compared to the previous figure of £41.6m) which was an exceptionally good result, additional funding would be required to deliver the scheme requiring General Purposes Committee approval. The breakdown of the current approved scheme budget was detailed in paragraph 2.13 of the report and included a substantial contribution from the Cambridgeshire and Peterborough Combined Authority (CPCA). The Chairman placed on record his thanks to the CPCA for their significant contribution.

The Committee's attention was drawn to the risks that could potentially impact on the proposed Programme timeline set out in a table in paragraph 2.19 which showed a construction start date of December 2020 and completion date of December 2022. A revised and updated detailed costed risk register was attached as Appendix 2 to the report, with the most significant listed in paragraph 2.20. In line with revised contract procedure guidance, all red rated risks would be reported to the Committee on a monthly basis, alongside financial and programme information within the monthly finance monitoring report. The report explained that the Coronavirus pandemic risk had the potential to have a significant impact on the project which would be a Council owned risk and had the potential to lead to significant cost and programme increases. Until the risks could be fully considered and potential options identified from being able to speak to the winning contractor by way of a two way conversation, Officers recommended that a specific Covid-19 project contingency budget of £1.5 million should be created for recommendation on to General Purposes Committee to fund any additional costs directly associated with the project caused by the impact of Covid-19. Attention was drawn to the requested delegation on the use of the Fund. Whilst GPC would be asked to allocate the additional Covid-19 contingency, discussions would also be undertaken with the Combined Authority on funding it on a 60:40 basis.

The Local member on the Committee, Councillor Connor representing Whittlesey South (the Division where the new bridge was going to be built), spoke in support of the report highlighting that it would not only have huge benefits for his own electoral division for growth and housing but for Fenland generally. He cited the current severe congestion problems and delays on the A605 caused by the level crossing closures and recent incidents of road closures following flooding which the new bridge would help eliminate. He also highlighted from the report the exceptional value of the scheme referencing that the economic and transport user benefits were valued to be 8.37 times greater than the estimated cost to deliver the scheme, an exceptionally high benefit to cost ratio (BCR) with a figure in excess of 2 usually deemed to represent excellent value for money. He also thanked the officers for all their hard work involved with undertaking the contract exercise.

Issues raised in the discussion included:

- Querying where the finance for the £1.5m contingency Covid-19 fund was coming from, the answer given, being from prudential borrowing, if it was required as it was to be a contingency fund only to be raised and used if required. Following on from this, a question was raised on what basis this sum had been quantified as it could

have an impact on other projects' funding. It was explained that it was extremely difficult to accurately quantify the potential impact of Covid19 on the contract offer, given the rapidly changing position with the virus and without first being able to speak to the Contractor regarding issues with their supply chain. The necessary conversations could not take place until the Committee agreed the preferred bidder and the notification of award has been issued following Committee approval. It was explained that the risks already identified would still exist if Covid-19 did not exist. However in reply to the question officers had broken down all the individual risks to establish the potential sum that might be required using the best science and data that was currently available. There would be a level of risk going forward depending on how Covid-19 progressed.

- One Member highlighting that paragraphs 2.21 and 2.26 made reference to E and E Committee as the future reporting Committee. As the Committee structure was likely to change going forward it was suggested it should rather have been written to read 'relevant committee'. In answer to a question to which new Committee would update reports be provided, It was clarified that if the proposals on changing the Committee structure were agreed at the Annual Council meeting on 19<sup>th</sup> May, the new reporting Committee would be the new Highways and Transport Committee.
- Whether the current tender exercise had highlighted valuable learning that could be shared and used for other future large project procurement exercises. Confirmation was given that the experience gained was to be documented for future procurement strategies, including highlighting the benefits from the current tender exercise using the open market to obtain best value for money compared to the previous tender process method used. Also having a break between the two stage process, while taking longer, had proved to have obtained significant value for money. The Chairman requested that once completed, it should be shared beyond the County Council to include:
  - The Combined Authority,
  - Greater Cambridge Partnership,
  - local district councils who undertook major projects **Action – Andy Preston Assistant Director, Infrastructure and Growth**
- In relation to ground conditions, (and the issue of unforeseen ground conditions having been a problem when seeking to establish the costs of a project in the Fenland area with some previous contracts), asking whether engineers had undertaken any early preliminary ground surveying works to assess likelihood of further risks. It was explained that the tender was at the end of the detailed design process for the project with the current tender bidders having had the benefit of the full design work undertaken by the previous contractor so there was already a considerable amount of information available. This was also in addition to the Council's own consultant's reports having been provided as part of the tender documentation and local historic information such as star pit, quarry details having been made available to bidders. The current tender price would be the agreed price for the contract. However it was recognised that ground conditions remained a risk that could lead to additional costs, but at the current time engineering surveys had not uncovered any specific issues.

- Further to the above, it was confirmed in answer to a follow up question, that local knowledge of the ground conditions had also been utilised by both the tender bidders from speaking to local businesses, with the Council also completing an Unexploded Ordnance (UXO) survey which did not highlight any issues. The intention would be to continue to liaise with local businesses as the project progressed.

During the discussion Councillor Wotherspoon's internet connection developed a problem which resulted in him being unable to stay connected to the meeting despite repeated attempts to re-join. After a period of time and having been notified by Democratic Services of the issues Wotherspoon continued to have, the Chairman made the decision to undertake the vote without him. The nine members present all voted in favour of the recommendations.

It was resolved unanimously to:

- a) Note the procurement process which, subject to approval, will reduce the budget required for the scheme by almost £10 million when compared to the previous construction contract price;
- b) Approve the award of the Design and Construction contract to the preferred bidder as detailed in section 2.8 of the officer's report, subject to approval of further funding by General Purposes Committee;
- c) Support the recommendation to General Purposes Committee that additional funding of £2.018 million be allocated to the scheme;
- d) Support the recommendation to General Purposes Committee that a £1.5 million Covid-19 risk contingency be created;
- e) Delegate authority to the Executive Director - Place and Economy, in consultation with the Chairman and Vice-Chairman of the relevant Committee to use the Covid-19 contingency in relation to risks directly related to the Covid 19 pandemic to aid to project delivery.

**Chairman:**