

DURHAM COUNTY COUNCIL

At a Meeting of the **Scrutiny Sub-Committee for Looking After the Environment** held at the County Hall, Durham on **Monday 15 September 2008** at **10.00 a.m.**

COUNCILLOR D Myers in the Chair

Members:

Councillors J Armstrong, D Barnett, E Bell, J Gray, D Hancock, G Richardson, R Rodgers, D Stoker, P Stradling and G Tennant.

Other Members:

Councillors G Bleasdale, E Paylor, R Todd, C Walker, J Wilkinson and R Young.

Co-opted Members:

K Culverhouse, D Easton and P Spurrell

Apologies for absence were received from Councillor Allen Turner

A1 Minutes

The Minutes of the meeting held on 30 June 2008 were agreed as a correct record and signed by the Chairman.

With reference to Minute A7 Environment Service - Overview of Directorate Priorities, Tom Bolton, Principal Scrutiny Officer informed the Committee that a Working Group had been established to examine the waste procurement project. There is also presentation later on the agenda in relation to highway maintenance.

A2 Declarations of Interest

There were no declarations of interest.

A3 Items from Co-opted Members

There were no items from Co-opted Members.

A4 Environment Awards: Brignall Mill, Teesdale

The Committee received a presentation from Steve Bhowmick, Business Manager, Design, Landscape and Environment Group and Bryan Harris, Senior Professional Assistant about the 2007 Environment Awards and the winning entry.

The principle objective of the scheme over the last nineteen years has been to encourage good design and sustainable principles in all aspects of the built and natural environment. In addition it aims to promote the care of the environment through sensitive schemes that conserve and enhance natural features and demonstrate good guardianship. The focus for the 2007 awards was energy efficiency. There are six other categories for entries and these are as follows:

- The Built Environment
- Craftsmanship
- The Natural Environment and Countryside Improvement
- The Management and Restoration of Minerals and Waste Disposal
- Schools
- Local Action 21

Brignall Mill near Barnard Castle is an eighteenth century watermill and dates from at least 1758. The building was Grade II listed in 1974 at which point it was in a poor state of repair. The building was converted to a single dwelling in 1977. It was converted to its current use in 2006 and provides two separate dwellings, one housing the owners of the site and another providing holiday accommodation. The building is located within the North Pennines Area of Outstanding Natural Beauty and is also located within a Site of Special Scientific Interest.

In October 2006, when it was decided to convert part of the building to holiday accommodation, it was decided to include alternative ways of generating energy. This included a ground source heat pump which has 600 metres of pipes buried in the adjacent orchard paddock. The pump works on similar principles to a fridge, the heat pump in the house pumps fluid around the pipe system under the paddock where it picks up heat from the ground and brings it back to the house where the energy is transferred to water to give heating and domestic hot water. The pump produces approximately 4.5 kilowatts of energy for every kilowatt of energy put in.

A micro hydro turbine has also been installed. A pipe has been excavated from the River Greta to the turbine where the water generates 2.5 kilowatts of electricity. There are two solar panels on the roof to pre-heat the hot water. Following discussions with the local conservation officer an almost invisible site on an inside slope of the roof was identified. The Mill is also equipped with a convection wood burning stove which supplements the ground source pump, hydro and solar production. The stove is carbon neutral. Timber is sourced from nearby which offers renewable timber supplies. Roof and wall insulation has been used whilst respecting the internal surface of the stone walls.

The work was required because there is no mains gas and no access for bulk fuel delivery. The increasing prices of energy make alternative sources of energy more attractive although the project was not considered in pure financial terms. The importance of seeking expert advice was stressed.

The Committee was informed that the Environment Awards have been running for 20 years and this year's awards will be launched in December and is for schemes completed in 2008. The closing date is in February 2009 and the judging will be undertaken between April and June 2009. The awards ceremony will take place in June or July 2009. The Commission for

Architecture and the Built Environment have recently issued guidance to Local Authorities on public space as part of the place shaping agenda. It may be necessary to consider changing the criteria for the awards to include schemes which improve public open space.

Resolved:

That the presentation be noted.

A5 Update on Waste Issues

The Committee received a presentation from David Greenwell, Waste Project Director on the Waste Solution Project (for copy of slides see file). It was explained that the purpose of the presentation is to:

- review the key issues and drivers impacting upon the project
- provide an overview of the project process
- provide an overview of the scope of work for the Strategic Business Case (SBC) and the Outline Business Case (OBC)
- provide an insight into the current strategic and work package
- provide a general summary of the intent of the approach

One of the key issues is how long it will take to complete the project. At the beginning of the project it was expected that the SBC would take up to 12 months, the OBC up to 12 months, and if approval is given, the Competitive Dialogue will take approximately 18 months. The final stage which includes identifying a site, planning consent etc will take from 1 to 4 years. It is expected that the process will cost the County Council around £1.2M which includes support from external providers including £500,000 for legal advice.

The core documentation includes the Project Initiation document which covers the structure and governance of the project which was agreed in April 2008. This includes the appointment of a Project Board with a series of authorities. A communications strategy has been adopted and this also includes how the Authority will communicate with an external audience. The Planning Strategy will be centred on the Waste Development Framework. Once a decision has been made on the solution, it will need to consider how the Council is able to site the project. The Waste Strategy is in three stages. The first stage is the Councils present position, the second stage is the interim gap, and the final stage is how the Council will handle waste over a long period. The SBC has been completed and was signed off on 21 June 2008. The OBC is currently ongoing.

The core work packages have been scoped and work completed in the following areas:

- Waste
- Legal
- Procurement
- Planning
- Sustainability
- Finance
- Communications

The approach adopted will allow the County Council to document all possible options and solutions for consideration and allow the Project Board on behalf of Members to understand mitigate and report risk. It will also allow the County Council the opportunity to respond to an ever changing market and ensure the delivery of corporate objectives. The approach will also provide Members and stakeholders with a robust platform from which to make informed decisions to deliver long term best value solutions which will be for the benefit of the public of County Durham.

Councillor E Bell asked for clarification on the costs and the timescale of the project. It was explained that substantial work on the project has been completed. The SBC has been completed and work on the OBC is progressing. It is anticipated that the project will move into the Competitive Dialogue phase around the end of this year if the PFI route for funding is chosen. Whichever contractor is selected will then have between 1 and 4 years to complete the solution. The SBC was completed ahead of schedule and it is expected that the OBC will be completed ahead of schedule. In relation to the costs it was explained that discussions with the legal advisers had indicated that legal costs for the SBC and OBC would be around £500,000. Additional funding will be made available if necessary. The overall cost of the procurement project is expected to be around £1billion.

Councillor C Walker stressed the need for involving the public at an early stage in the process. David Greenwell advised that there is a communications strategy and this will indicate to the market place and the public what the County Council is trying to achieve. A booklet explaining the project has been produced. It is expected that consultation will commence in the near future and this will include a market awareness day which will take place in order to provide feedback in relation to market conditions.

In response to questions about the technology it was explained that project is completely open and the Council will not be prescriptive in specifying the technology to be used.

Resolved:

That the presentation be noted.

A6 Highways Network Maintenance

The Committee received a presentation from Geoff Race, Environment about Highways Network Maintenance (for copy of slides see file).

It was explained that under the section 41 of the Highways Act 1980 imposes a duty on the highway authority to maintain highways at public expense to reasonable standards. Section 58 of the Act provides in the event of an action it shall be a defence to show that the highway is kept in a reasonable state of repair having regard to the traffic using it to the standard of maintenance appropriate to its use and to public safety.

The authority operates under the national code of practice prepared by the UK Roads Board and this sets recommendations for highway maintenance. The main points of the code of practice includes a detailed inventory of the network,

a defined hierarchy, robust policies and objectives, asset management, arrangements for finance, performance management etc. The highway network in County Durham extends to 3700 kms.

The Code of practice recommends 5 broad carriageway hierarchies from strategic routes to local access roads and this defines the frequency of inspections.

The three main areas of maintenance are structural maintenance, winter maintenance and routine maintenance. The main objectives of highway maintenance are the safety of the public, maintenance of asset value, and serviceability.

The highway safety inspection regime is very important and every carriageway and footway is subject to inspection. Related to the inspection regime are the public liability insurance claims. There was a particular hiatus in the number of claims around 2002. This is related to an increase in 'no win, no fee' claims. The introduction of the inspection regime has reduced the number of successful claims. During the period of higher claims the public liability insurance premium paid by the Authority rose but has subsequently dropped with the fall in the number of claims.

In relation to highway condition the Authority scored 13 out of 15 for highway condition in the LTP1 delivery report. Condition surveys indicate that generally the Authority is maintaining its target. However BVPI's show that in terms of performance for 07/08 A roads have slipped from the 1st quartile into the 2nd quartile and B and C roads have dropped from the 1st quartile into the 4th quartile. It is felt that the reduction in finance available for highway maintenance correlates to the fall in highway condition.

In 2002/03 the budget for highway maintenance was £9.3M. In 2008/09 the budget is £8.6M. However when the civil engineering industry price fluctuation factor is taken into account it shows inflation of around 35% which is nearly double the level of the retail price index inflation level. Therefore when this is deducted from this year's budget it shows the real value of this year's budget to be around £6.3M which is a significant fall when compared to the 2002/03 budget.

The Medium Term Financial Plan requires Environment to indicate savings of 3% (£300,000) and 5% (£500,000). In recent years savings have been achieved in:

- Winter maintenance – reduction from 50% to 42% of pre-salt network
- Gully cleansing reduced from 2 to 1.1 cleanses annually
- Weed spraying reduced 2 to 1 treatments annually
- PAT teams reduced from 6 to 3 teams
- Minor repairs reduction in budget

Future savings may require reductions in community highway workers, DDA works, grass cutting, weed spraying, landscaping, winter maintenance and minor repairs. There are increasing pressures on the maintenance budget and these include inflation, increasing network lengths, severe weather events and gully thefts.

The carriageway's asset value is estimated to be £3bn and the estimated backlog of carriageway maintenance is estimated to be around £120M. In the Citizens Panel Highway survey, the public indicated that road and footway repairs were the top choices for the highways budget for 2007/08.

The highway network is the most valuable asset any local authority owns. It is also a key and highly visible community asset, supporting the natural and local economy and contributing to the character and environment of the area it serves. It contributes much more than just transport. It is fundamental to the economic, social and environmental well being of the community. Effective management of the local network has the potential to aid regeneration, social inclusion, community safety, health and the environment. To achieve these wider objectives needs a planned long term programme of investment, efficiently managed and supported by effective technical and management systems.

The consequences of under funding highway maintenance include:

- Prevents systematic approach
- Failed roads
- Costs to society and industry i.e. accidents, travel delays etc
- Increased claims
- Short term measures
- Increased long-term costs

Councillor J Armstrong stressed the need for these issues to be brought to the attention of the Budget Scrutiny Working Group and for the need for this area to be treated as priority area and for sustained long term investment to tackle the backlog of highway maintenance work.

In response to Member concerns about the fall in maintenance standards of unclassified roads it was explained that maintenance is based on inventory based analysis and unclassified roads get less money spent on them than busier roads. Attention was also drawn to the effect of utility works and reinstatements on highway condition.

Councillor Rodgers questioned the decision to reduce the level of gully cleaning bearing in mind severe weather events caused by climate change.

Councillor Armstrong suggested that the Committee should ask Cabinet to implement a sustained programme of work in order to deal with the backlog of highway maintenance work.

Resolved:

1. That the presentation be noted.
2. That Cabinet be advised of the Committees' concerns in relation to the highways management budget backlog and that this issue be considered at the appropriate point by the Budget Scrutiny Working Group.

A7 Performance Issues

The Committee received a presentation from Ann Campbell, Head of Policy explaining the 1st quarter performance in relation to Looking after the Environment (for copy of slides see file).

It was explained that for the 1st quarter the Authority has had to accommodate the new national indicators which is why there are gaps in the data.

The Committee were reminded that the following are the four high level priorities in the Corporate Plan:

- Less household waste going to landfill
- Increased accessibility and a halt in the decline of public transport
- A reduction in the County Council's impact on climate change
- Improved road and footway condition

Data is available for four out of 12 performance indicators. The Authority is on target for the following indicators:

- NI175 – access to services by public transport
- NI177 – number of bus passenger journeys
- NI047 – % change in number of people killed or seriously injured in traffic collisions

The indicator for rights of way that are easy to use is currently not on target.

In terms of tasks within the Corporate Plan it was explained that there is only one task within the Committees remit and this relates to the development of the waste strategy. This has been delayed to fit in with the work stream for local government reorganisation. In relation to the Local Area Agreement for 2008/11 it was explained that there are 12 indicators. There is only data currently available for NI175 – access to services by public transport which is currently on target.

Resolved:

That the presentation be noted