



Shropshire Council
Legal and Democratic Services
Shirehall
Abbey Foregate
Shrewsbury
SY2 6ND

Date: Friday, 28 November 2014

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**Committee:
Environment and Services Scrutiny Committee**

Date: Monday, 8 December 2014

Time: 2.00 pm

Venue: Plowden Room, Craven Arms Community Centre, Newington Way, Craven Arms, Shropshire, SY7 9PS

You are requested to attend the above meeting.
The Agenda is attached

Claire Porter
Head of Legal and Democratic Services (Monitoring Officer)

Members of Environment and Services Scrutiny Committee

Vince Hunt (Chairman)

Keith Roberts (Vice Chairman)

Peter Adams

Ted Clarke

Nigel Hartin

Roger Hughes

Christian Lea

Pamela Moseley

Vivienne Parry

Arthur Walpole

Your Committee Officer is:

Jane Palmer Senior Democratic Services Officer

Tel: 01743 252748

Email: jane.palmer@shropshire.gov.uk

AGENDA

1 Apologies for absence and substitutions

2 Disclosable Pecuniary Interests

Members are reminded that they must not participate in the discussion or voting on any matter in which they have a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

3 Minutes of previous meetings (Pages 1 - 10)

To consider the Minutes of the Environment and Services Scrutiny Committee meetings held on 20 October and 10 November 2014.

4 Public Question Time

To receive any questions, statements or petitions from the public of which members of the public have given notice. Deadline for notification for this meeting is Wednesday 3 December 2014.

5 Member Question Time

To receive any questions of which members of the Council have given notice. Deadline for notification for this meeting is Wednesday 3 December 2014.

6 Future Commissioning and Provision of Library Services and Community Hubs

The Director of Commissioning will provide an update on the future commissioning and provision of library services and community hubs. The report is **'TO FOLLOW'**

7 Date/Time of next meeting

The Committee is next scheduled to meet on Monday 2 February 2015 at 2.00pm.



Environment and
Services Scrutiny
Committee

8 December 2014

2.00 pm

Item

3

Public

**MINUTES OF THE ENVIRONMENT AND SERVICES SCRUTINY COMMITTEE
MEETING HELD ON 20 OCTOBER 2014
2.00 PM – 3.50 PM**

Responsible Officer: Amanda Holyoak
Email: amanda.holyoak@shropshire.gov.uk Tel: 01743 252718

Present

Councillors Vince Hunt (Chairman), Keith Roberts (Vice Chairman), Peter Adams, Ted Clarke, Roger Hughes, Christian Lea, Pamela Moseley, Vivienne Parry and Arthur Walpole

20 Apologies for absence and substitutions

Apologies for absence were received from Councillor N Hartin.

21 Disclosable Pecuniary Interests

Members were reminded that they must not participate in the discussion or voting on any matter in which they had a Disclosable Pecuniary Interest and should leave the room prior to the commencement of the debate.

22 Minutes of the last meeting held on 8 September 2014

The minutes of the meeting held on 8 September 2014 were confirmed as a correct record.

23 Public Question Time

There were no questions from Members of the Public.

24 Member Question Time

There were no questions from Members.

25 **Performance on the Highways and Environmental Team Service [HETSC] contract: Ringway**

The Service Manager for Environmental Maintenance presented the report 'Highways and Environment Term Maintenance Contract – Ringway update' (a copy is attached to the signed minutes). He confirmed that Ringway and the Council had worked together in preparing the report.

Although there had been issues which had meant the contract was not as mature as it should be, a corner had now been turned and there had been much improvement. Performance Indicators were set to be achieved by November 2014. Where there were any outstanding issues, relationships were positive.

The Portfolio Holder for Highways expressed appreciation to Bill Taylor, the UK Managing Director of Ringway and Nick Goddard, the Midlands Director, for attending the meeting and gave her personal thanks to them for their direct involvement in the contract.

In discussion of the report, Committee Members made comments, raised issues and asked questions covering the following areas:

- Pothole repair time, reinstatement of the road and permitting;
- Lessons learnt by Council officers related to scoping and implementing the contract;
- The degree of importance of achievement of the November 2014 performance indicators in looking to the future and a possible extension of the contract;
- Why there was a timelag of 2 – 3 months before obtaining performance indicator information
- How complaints forwarded by Members were recorded;
- How the new scoping level of £5,000 would assist in expediting works being delivered;
- The high turnover in contract manager personnel and restructuring of the Ringway operation;
- Whether the mechanism of withholding funds from Ringway for not meeting targets might not be useful as they were instead paid into an 'innovation fund' which was of benefit to the Council and Ringway;
- How quickly vacant posts would be filled;
- Whether it would be possible to recruit good quality sub-contractors at a time of high demand;
- Whether the re-tender of the engineering contract might impact on Ringway's performance;
- How work with the Business Improvement Team could drive improvement;
- Whether last year's overspend due to issues in classification of work as capital or revenue was likely to happen again.

Individual examples of where things had gone wrong in Electoral Divisions were also cited, for example, communication issues meaning lines were put down incorrectly, delays in grass cutting, poor quality resurfacing, long waits for jobs to be scheduled, started and completed and response to flooding.

Members of the Committee also gave some plaudits which included work for the Britain In Bloom campaign, some efficient and good quality surface dressing and successful work on the Bridge over River Morda which had been completed quickly and ahead of time.

In summary, the Committee felt that performance had not been impressive during the first third of the contract, and that it had taken a long time address some problems, particularly around IT systems. The report did provide some reassurance that performance would continue to improve.

In response to the comments made and questions asked, the Council's Area Commissioner, Service Manager for Environmental Maintenance, Ringway Chief Executive and Ringway Midlands Director stated the following:

- The 'Hedge to Hedge' approach was still being refined and a national award had been achieved for this.
- Historical legacy issues had now been addressed and improvements made to IT systems, including operational staff being issued with ipads. Investment had been made in a new cloud based system and the 'Confirm' system would be available on demand from November onwards.
- A lesson learnt by Council officers had been in relation to mobilisation of staff, as Ringway had not been able to have any access to staff ahead of the contract start.
- There was now both anecdotal and evidenced improvement in performance, and the trend for complaints was declining. Performance Indicators were due to be achieved by November although this would not be known due to early 2015.
- Ringway's restructure had been initiated to bring about more effective focused working. Staff numbers remained the same and support form senior managers would be improved.
- Recruitment was difficult across the UK, and although Ringway would prefer to recruit locally, it was viewed as essential to recruit people of the right calibre. The new staff structure was now almost complete.
- Shropshire Council's own Environmental Maintenance Team restructure would give the capacity to assist with the contract and move it forwards
- A review of the operational impact of permitting would be held with both Ringway and Shropshire Council to ensure systems, processes and staff moved towards the discipline required by the system
- The re-tendering of the Engineering Contract provided an opportunity to make adjustments to the contract to improve things going forward.
- Achievement of the November 2014 performance indicators would be particularly significant as this would be the time to start looking ahead at the possibility of extending the contract beyond six years on an offer and acceptance basis.
- Performance data was usually 2 – 3 months behind real time due to the need for checks and audit before presentation by way of a RAG system.
- It was confirmed that data collected through the Customer Service Centre was used to formulate reports. It was desirable for all complaints to be made in this way rather than directly to local offices, so that a case number could be allocated and a consistent picture formed.
- Delays in jobs starting were often due to delays in obtaining approval for traffic orders or planning consents.

- Resurfacing did sometimes fail but where this occurred it would be rectified at no extra cost to the Council
- It was felt by the Council and Ringway that the new level of £5,000 for scoping jobs would help avoid congestion in the system. This would be reviewed and could be adjusted if necessary.
- Officers did not feel that deductions made from Ringway being paid into the 'innovation fund' would act as a disincentive to meeting targets. Any such deductions would have an impact on their bottom line.
- The issues around classifying work as capital or revenue had taken a long time to address but this had been achieved and would not happen in the future. The Winter Reserve had been used to mitigate this, and a zero based budget would be in place for the next financial year. An additional 4.1m had been allocated by the Department of Transport to spend by the end of this financial year.
- There would be challenges in recruiting sub-contractors and resources were stretched across the whole of the UK and prices would increase.

Members agreed that performance over the next 12 months would be critical and welcomed the suggestion that a report be made to the Committee in a year's time. This would be half way through the contract. The Chairman thanked officers and Mr Taylor and Mr Goddard for attending the meeting.

The Committee endorsed the recommendations in the report and **RESOLVED**:

- To approve the report
- To note the actions taken in managing the contract
- To note the improvements in recent aspects of performance from Ringway
- To note the ongoing concerns and issues relating to this contract
- To receive a further report to reflect performance at the three year point of the contract cycle
- That the restructure of the Shropshire Council Environment and Transport Group be expedited to support the contract and contract outcomes further

In addition, the following areas were suggested by the Committee for potential future scrutiny attention:

- Operation of the Permitting scheme
- The work of the Business Improvement Team in identifying further improvements to systems and processes.
- Flooding

26 **Date/Time of future meetings**

Suggested options for an additional meeting of the Committee were either Monday 10 November at 1pm or Monday 17 November at 2.00 pm. It was agreed to confirm the date and time outside of the meeting.

The next calendared meeting of the Committee was noted as Monday 8 December 2014 at 2.00 pm.

Signed (Chairman)

Date:

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Committee and Date

Environment and Services
Scrutiny Committee

ENVIRONMENT AND SERVICES SCRUTINY COMMITTEE

Minutes of the meeting held on 10 November 2014 in the Ludlow Room, Shirehall, Abbey Foregate, Shrewsbury, Shropshire, SY2 6ND

1.00 - 2.05 pm

Responsible Officer: Jane Palmer
Email: jane.palmer@shropshire.gov.uk Tel: 01743 252748

Present

Councillor Vince Hunt (Chairman)
Councillors Keith Roberts (Vice Chairman), Peter Adams, Ted Clarke, Nigel Hartin, Christian Lea, David Minnery [Sub: R Hughes], Pamela Moseley, Vivienne Parry and Arthur Walpole.

27 Apologies for absence and substitutions

Apologies for absence were received from Councillor R Hughes; Councillor D Minnery attended as substitute.

28 Disclosable Pecuniary Interests

None were declared.

29 Minutes of the meeting held on 20 October 2014

The Chairman stated that, due to staff sickness, the Minutes of the meeting held on 20 October 2014 were not yet available and would be considered at the next meeting of the Committee.

30 Public Question Time

There were no questions received from members of the public.

31 Member Question Time

There were no questions received from Members.

32 Scrutiny of the progress made in delivering the Council's Financial Strategy

The Committee considered the performance report and dashboards relevant to its remit together with a wealth of background documentation illustrating the progress being made in delivering the Council's Business Plan and Financial Strategy.

Some Members considered that the format of the report to the Committee was unwieldy and did not facilitate comprehension of the information as too much material was presented and the format was difficult to navigate. A Member commented that trends in the financial reporting and significant variations in the budget should have been provided in a short, one page report that systematically identified areas of change. The Committee considered that the dashboards provided a useful starting point but were only successful to a degree as their generality resulted in a loss of understanding.

The Performance Manager explained that an attempt had been made to provide as much information as possible to Members without compiling a single report. He noted that this format had not been readily accepted by Members but stressed that the underlying aim had been to ensure that Members understood the context to the specific information relating solely to areas within the Committee's remit. The information provided in the dashboards was available as a starting point from which members could 'drill down' to the underlying detail.

The Committee noted that savings totalling £10.5M over three years needed to be made in those areas within the Committee's remit in the 3 year period of the current Business Plan and Financial Strategy that had been agreed by Council in February 2014. The savings were broken down annually as follows, Year 1 £4.3M, Year 2 £4M and Year 3 £2.6M. [Areas within the remit of the Committee being: natural environment, waste management, highways, social housing, drug and alcohol misuse, leisure and libraries]

The RAG ratings of areas within the Committee's remit were noted as:

- Year 1 – Green £2.95M, Amber £18k, Red £1.3M
- Year 2 – Green £400k, Amber £1.1M, Red £2.5M
- Year 3 – Green 0, Amber £800k, Red £1.8M

The Director of Commissioning provided an update on progress and made specific reference to:

- Redesign of Waste Collection Services was progressing well but still in prototype and savings would not show this year. September 2015 was now the likely target for redesign in this area.
- A delay in the consultation on libraries and community hubs resulted in some proposed savings not taking place in the current year.
- Visitor Information Centres – Year 1 savings as Green but Red in some areas of Year 2 savings.
- Outdoor recreation, Community Action Team and leisure developments currently Green and potential redesign in Years 2 and 3.

Referring to Year 1 Red savings, the Director of Commissioning stated that the largest element of this saving related to the renegotiation of the Veolia contract, savings from which would not be realised in this financial year and there would also be no full level savings this year from the waste service redesign. It was accepted that other areas, such as development management, were over achieving and there was ultimately a balance in the level of savings being made.

The Committee considered the Q2 Performance dashboards appropriate to its remit.

Key points were made as detailed below:

Annual net number of new homes – it was noted that new build homes were showing an increase.

Keeping Shropshire's streets clean [% of inspections that fall below Grade B]

The condition of the highways, clean streets, the state of the verges and litter in verges was highlighted by the Committee as a potential future item for scrutiny. It was noted that the information shown in the dashboard was based on 4,000 annual inspections.

Visitors to theatres, museums, libraries and leisure facilities [Rolling 12 month total]

It was noted that some facilities were better used than others. In particular it was noted that libraries were not so well used but they were reinventing themselves to become facilities that were not solely about books.

The Committee requested more detail on the performance information in this dashboard and considered that the detail provided was too general and that the information needed to be broken down to cover each type of facility separately.

Positive developments were reported at Craven Arms where the library was now located in the Community Centre. This linked well with other community initiatives that worked well together and had resulted in increased usage of the library facility whilst contributing to the development of a strong and resilient community base.

Members were interested to be informed at a later date of the results of Church Stretton consultation on the possible relocation of the library into the school; a sharing of community facilities.

Public Satisfaction Survey – satisfaction with highways and transport

Again the Committee requested further detail on the content of the slide with the information broken down to provide a higher level of detail. However the Committee identified 'Condition' of highways as a potential issue for future scrutiny.

Rent collected as % of rent owed to date, including brought/forward arrears

The Committee requested an explanation of the figures presented and acknowledged that distortion in collection rates through the year were reconciled for timing delays at year end rent accounts which resulted in an improved (and more accurate) position.

Other issues raised at the meeting were scrutiny of the development of the Shrewsbury swimming pool and future monitoring of the part night lighting initiative, although it was recognised that this scheme needed at least 12 months to 'bed in.

It was noted that the Committee's comments would be fed back to the Performance Management Scrutiny Committee on 26 November 2014 when the overarching scrutiny response to the progress made in delivering the Council's Financial Strategy would be compiled and reported to the forthcoming Cabinet meeting.

33 Date/Time of next meeting

It was noted that the Committee's next meeting was scheduled to be held at 2.00pm on Monday 8 December 2014.

Signed (Chairman)

Date: