



Place Overview Committee
16 January 2020
10.00 am

Item
3
Public

**MINUTES OF THE PLACE OVERVIEW COMMITTEE MEETING HELD ON 7
NOVEMBER 2019
10.00 AM - 12.30 PM**

Responsible Officer: Sarah Townsend
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Present

Councillor Joyce Barrow (Chairman)
Councillors Julian Dean, Rob Gittins, Simon Harris, Paul Milner (Vice Chairman),
Dan Morris, Pamela Moseley, Clare Aspinall (Substitute) (substitute for Paul Wynn),
Gerald Dakin (Substitute) (substitute for William Parr) and David Vasmer (Substitute)
(substitute for Andy Boddington)

34 Apologies for Absence

Apologies for absence were received from Councillors Andy Boddington, William Parr and Paul Wynn. Councillors David Vasmer, Gerald Dakin and Clare Aspinall were in attendance as their substitutes.

The Chairman stated that late reports were not acceptable and that they should be made available at least a week before the meeting in order that people have the opportunity to read them.

35 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. No Disclosable Pecuniary Interests were declared.

36 Minutes of the Meeting held on 5th September 2019

The minutes of the meeting held on 5th September 2019 were confirmed as a correct record.

37 **Public Question Time**

There were no questions from members of the public.

38 **Member Question Time**

Three questions were received from councillors.

Question 1:

From: Councillor Andy Boddington. Councillor Boddington was not in attendance at the meeting and therefore, Councillor Evans asked the question on his behalf which was in relation to the electric bus trial in July 2019. A full copy of the question and response provided is attached to the web page for the meeting and also attached to the signed minutes.

Councillor Evans was allowed to ask a supplementary question regarding when Shropshire Council would start to deploy electric vehicles. The Portfolio Holder for Highways and Transport responded that electric buses had been successfully trialed to Ludlow and back. They had been very well received by the public and people were happy to wait to travel on an electric bus rather than travelling on a diesel bus.

Question 2:

From: Councillor Andy Boddington. Councillor Boddington was not in attendance at the meeting and therefore, Councillor Evans asked the question on his behalf which was in relation to the use of small contractors. A full copy of the question and response provided is attached to the web page for the meeting and also attached to the signed minutes.

Councillor Evans was allowed to ask a supplementary question regarding the table showing Small and Medium Enterprises (SME) spend as % of total contractor spend and whether small contractors and local businesses were included. The Director of Place responded and acknowledged the importance of small and locally based businesses. He also commented that quality and price were important factors that needed to be taken into consideration.

Question 3:

From: Councillor Roger Evans. Councillor Evans was in attendance to ask his question which was in relation to a quote by Kier. A full copy of the question and response provided is attached to the web page for the meeting and also attached to the signed minutes.

Councillor Evans was allowed to ask a supplementary question regarding whether locally based people could be asked to quote for work. Councillor Morris also shared his concerns based on a similar experience that he had had. The Interim Assistant Director of Infrastructure and Communities responded and explained that the first preference of the service is Kier, as that is whom the Council's contract is with.

Contract rates are pre-agreed and processes are in place for ordering. The contract is a pre-measured contract, which means that the Council will request work and a quote is provided. Officers will either accept the quote and progress with the work, or take a decision to procure work through other avenues. The annual contract value (excluding externally funded grants) is circa £21,000,000 with a contractual floor expenditure of £10,000,000 per annum.

39 WSP and Kier Annual Reports

The Interim Assistant Director of Infrastructure and Communities, Shropshire Council, and the Interim Managing Director Highways, Kier, were in attendance to present this item, which focused on the progress, issues and performance of the contract during the first year (2018 – 2019 financial year) across the core areas of the contract.

The Interim Assistant Director of Infrastructure and Communities explained that the Committee would only be considering the Kier Highways Term Maintenance Progress Annual Report. The WSP Annual Report would be considered at a future meeting of the Place Overview Committee in early 2020.

Members received a powerpoint presentation (copy attached to the signed minutes), during which the following points were made and addressed:

- The contract operates for 24 hours per day, seven days a week, 365 days per year.
- On average 3,000 work orders per month are submitted.
- Over the past twelve months, there had been 231,209 views of Shropshire Council's Highways and Transport webpages.
- In terms of Kier's performance, an agreed target of 95% performance outcome is required in relation to jobs or tasks orders that were completed on time. A mean outturn rate of 93.46% was actually achieved.
- Early Spring 2018 had been extremely challenging, with the 'Beast from the East' causing major disruption. Routine works were affected and a backlog of work was generated, due to the inability to undertake inspections and routine maintenance during the period of the weather event.
- It was acknowledged and accepted that there were issues and complaints and that service delivery issues still needed to be improved, but that improvements had been sought. There was a commitment from Kier and Shropshire Council that these would be evident and sustained. Members were informed that meetings and away days had been held and staffing structures had been reviewed. In particular, improvements in communication and technology were required.
- Assurances were given that the backlog of work had now been completed and reactive works were now within acceptable limits (i.e. eight days worth of work).
- The Highways and Transport restructure had now been implemented as of 01 June 2019 and the new structure, roles and positions were established and already providing a positive effect on how the contract functions. It was noted that eleven of fourteen new posts had been appointed to.

- Within Kier, there was a local supply chain strategy and locally based people were encouraged to speak with Kier in order to find out how they could become part of this. Kier were also looking to use more of a local labour force.
- The Interim Managing Director Highways, Kier, would look into the concerns that had been raised by Councillors Roger Evans and Dan Morris during Member Question Time and report back on his findings.
- Whilst statistics had been provided concerning work completed within the specified time, there were no statistics relating to the quality of this work. It was agreed that quality statistics would be included within future reports to the Committee.
- Permanent repairs on potholes had a two year warranty.
- £10,000,000 had been invested in patching and re-surfacing.
- Comments were made that the report did not acknowledge the full extent of the problem, members of the public were not happy and that at the 16 October 2019 Cabinet meeting, a report indicated that Highways and Transport had received the most complaints.
- A comment was made that whilst the staff 'on the ground' did an excellent job, their concerns were with the monitoring of the contract at a senior level.
- In relation to allegations made by a whistleblower who suggested that Shropshire Council did not properly monitor its highway contractors, the Director of Place stated that he had been assured that there was no evidence substance to these allegations and they were being refuted completely. He stated that there was no evidence of any unusual payments happening and that he had not seen anything unusual in the payments he had certified. He assured the Committee that as far as he was aware, all payments were 'above board' and commented that he was happy to meet with Councillor Vasmer outside of the meeting to further discuss his concerns.
- As of 18 June 2019, there were 3,500 outstanding potholes across Shropshire. This figure had dropped considerably and as of 07 November 2019, there were 880 outstanding potholes across Shropshire. There was now a consistent approach to managing the defects and repairing them.
- In terms of the North / Central / South divide, more defects had occurred in the South of the County particularly, during the 'Beast from the East' period where 50% of the resources had been based in the South, which reflects the higher proportion of unclassified and 'C' class roads.
- The severe weather budget was confirmed as being circa £2,000,000. If it was overspent and pressured, the Council's reserves would be used.
- Several concerns regarding drainage and gullies were raised. It was reported that approximately 500 gullies a day were looked at and that this had been the case for several months. This was a vast improvement on the previous figures, whereby only 600 gullies a month were investigated. The Interim Head of Strategic Highways and Transport agreed to send out information to all Members and Town and Parish Councils in relation to gully emptying.
- Shropshire Council had recruited a new Drainage and Flood Risk Manager.
- Information regarding Highways Central Division complaints would be communicated to committee members.
- There had been twenty six redundancies made within Kier's Street Scene Environment Section.
- There was an independent team of inspectors in place whose job was purely to inspect the network. The criteria that they adhered to had been detailed in a report to the 16 October 2019 Cabinet meeting.

- The Interim Assistant Director of Infrastructure and Communities and the Operations Manager, Strategic Highways, were thanked, as whenever the Councillor concerned had reason to contact them by email, they always responded.

The Portfolio Holder for Highways and Transport commented that whilst the current situation was not perfect, it was better than it used to be, with issues either being addressed or identified and planned for improvement. He was confident that the committee would find next year's report to be more positive.

RESOLVED:

- (a) The report at the outturn and performance achieved within the first year of the contract was considered.
- (b) The issues detailed within the report were considered.
- (c) The committee had satisfied itself of the actions to improve service delivery and performance as raised within the report.
- (d) The committee noted the areas of service delivery that have been achieved and those still required to improve, particularly in communication responses and web-based data.

Councillor Aspinall left the room towards the end of this agenda item and was not present for the voting of the report's recommendations. She did not return to the meeting.

40 **Shrewsbury Shopping Centres**

The Assistant Director Economic Growth was in attendance to present her report which provided an update to the Committee on the latest performance of the current shopping centres, progress with the programme for the next phases of development and an update on the next phases of the Big Town Plan in the context of national retail and high street trends. She explained that the press had seen the report and had made some positive comments.

Responding to questions from the committee, officers explained:

- Town centres were facing unprecedented change and this was leading to fundamental change in the role and purpose of the traditional high street.
- The Council's decision to take control of the shopping centres was to support the economic growth and regeneration of Shrewsbury town centre.
- Further announcements would be made in relation to the Shrewsbury shopping centres in the New Year.
- The council was making a return on its investment.
- It was hoped that more consumer intelligence research would be undertaken.
- Empty shops in the Riverside Shopping Centre were not costing the council anything as they were offsetting the business rates.
- Vacancy rates in the Darwin Shopping Centre for the previous Quarter (April – June) were at 9.26% by unit number. Investment would be made in 2020 to the mid level mall to improve the environment and provide new customer facilities.

- Pride Hill vacancy by number of units at the last quarter (April – June) was 2.86%. This figure will have now increased due to the former Next unit currently being void.
- It was requested that information regarding vacancy rate figures on floorspace be provided. The Director of Place confirmed that he was happy for this information to be provided to members.
- As part of acquisition, rental guarantees were put in place with vendors. All tenants were treated on an individual and case by case basis.
- A Member Reference Panel was in place and the Director of Finance, Governance and Assurance was part of this.
- In terms of trade, Marks & Spencer in the Darwin Shopping Centre was the fourth best in the United Kingdom.
- Shrewsbury had the longest run of independent retailers.

The Chairman thanked the Assistant Director Economic Growth for her report.

41 Work Programme 2019/20

It was noted that the following items would be added to the committee’s work programme for consideration in January 2020:

- Verbal Update on the Shrewsbury Shopping Centres.
- WSP.
- Street Works.
- Shropshire Council’s Budget.

42 Date/Time of Next Meeting of the Committee

Due to the number of items on the Committee’s Work Programme, it was agreed that the Committee Officer would look into the possibility of having two Place Overview Committee meetings in January 2020.

Signed (Chairman)

Date: