

Thurrock: A place of opportunity, enterprise and excellence, where individuals, communities and businesses flourish

Cabinet

The meeting will be held at **7.00 pm on 7 September 2016**

Committee Rooms 2 & 3, Civic Offices, New Road, Grays, Essex, RM17 6SL

Membership:

Councillors Robert Gledhill (Chair), Garry Hague (Deputy Chair), Mark Coxshall, James Halden, Shane Hebb, Brian Little, Susan Little, Deborah Stewart and Pauline Tolson

Agenda

Open to Public and Press

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Queries regarding this Agenda or notification of apologies:

Please contact Kenna-Victoria Martin, Senior Democratic Services Officer by sending an email to Direct.Democracy@thurrock.gov.uk

Agenda published on: **30 August 2016**

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DECLARING INTERESTS FLOWCHART – QUESTIONS TO ASK YOURSELF

Breaching those parts identified as a pecuniary interest is potentially a criminal offence

Helpful Reminders for Members

- *Is your register of interests up to date?*
- *In particular have you declared to the Monitoring Officer all disclosable pecuniary interests?*
- *Have you checked the register to ensure that they have been recorded correctly?*

When should you declare an interest *at a meeting*?

- **What matters are being discussed at the meeting?** (including Council, Cabinet, Committees, Subs, Joint Committees and Joint Subs); or
- If you are a Cabinet Member making decisions other than in Cabinet **what matter is before you for single member decision?**



Does the business to be transacted at the meeting

- relate to; or
- likely to affect

any of your registered interests and in particular any of your Disclosable Pecuniary Interests?

Disclosable Pecuniary Interests shall include your interests or those of:

- your spouse or civil partner's
- a person you are living with as husband/ wife
- a person you are living with as if you were civil partners

where you are aware that this other person has the interest.

A detailed description of a disclosable pecuniary interest is included in the Members Code of Conduct at Chapter 7 of the Constitution. **Please seek advice from the Monitoring Officer about disclosable pecuniary interests.**

What is a Non-Pecuniary interest? – this is an interest which is not pecuniary (as defined) but is nonetheless so significant that a member of the public with knowledge of the relevant facts, would reasonably regard to be so significant that it would materially impact upon your judgement of the public interest.

Pecuniary

If the interest is not already in the register you must (unless the interest has been agreed by the Monitoring Officer to be sensitive) disclose the existence and nature of the interest to the meeting

If the Interest is not entered in the register and is not the subject of a pending notification you must within 28 days notify the Monitoring Officer of the interest for inclusion in the register

Unless you have received dispensation upon previous application from the Monitoring Officer, you must:

- Not participate or participate further in any discussion of the matter at a meeting;
- Not participate in any vote or further vote taken at the meeting; and
- leave the room while the item is being considered/voted upon

If you are a Cabinet Member you may make arrangements for the matter to be dealt with by a third person but take no further steps

Non- pecuniary

Declare the nature and extent of your interest including enough detail to allow a member of the public to understand its nature



You may participate and vote in the usual way but you should seek advice on Predetermination and Bias from the Monitoring Officer.

Vision: Thurrock: A place of **opportunity, enterprise and excellence**, where **individuals, communities and businesses** flourish.

To achieve our vision, we have identified five strategic priorities:

1. Create a great place for learning and opportunity

- Ensure that every place of learning is rated “Good” or better
- Raise levels of aspiration and attainment so that residents can take advantage of local job opportunities
- Support families to give children the best possible start in life

2. Encourage and promote job creation and economic prosperity

- Promote Thurrock and encourage inward investment to enable and sustain growth
- Support business and develop the local skilled workforce they require
- Work with partners to secure improved infrastructure and built environment

3. Build pride, responsibility and respect

- Create welcoming, safe, and resilient communities which value fairness
- Work in partnership with communities to help them take responsibility for shaping their quality of life
- Empower residents through choice and independence to improve their health and well-being

4. Improve health and well-being

- Ensure people stay healthy longer, adding years to life and life to years
- Reduce inequalities in health and well-being and safeguard the most vulnerable people with timely intervention and care accessed closer to home
- Enhance quality of life through improved housing, employment and opportunity

5. Promote and protect our clean and green environment

- Enhance access to Thurrock's river frontage, cultural assets and leisure opportunities
- Promote Thurrock's natural environment and biodiversity
- Inspire high quality design and standards in our buildings and public space

Minutes of the Meeting of the Cabinet held on 13 July 2016 at 7.00 pm

The deadline for call-ins is Monday 25th July 2016 at 5.00pm

Present: Councillors Robert Gledhill (Chair), Garry Hague (Deputy Chair), Mark Coxshall, James Halden, Shane Hebb, Brian Little, Susan Little, Deborah Stewart and Pauline Tolson

In attendance: Steve Cox, Corporate Director of Environment and Place
Sean Clark, Director of Finance & IT
Roger Harris, Corporate Director of Adults, Housing and Health
Jackie Hinchliffe, Director of HR, OD & Transformation
Rory Patterson, Corporate Director of Children's Services
Ian Wake (Director of Public Health)
Matthew Essex, Head of Regeneration and Assets
Karen Wheeler, Head of Strategy, Communications and Customer Service
David Lawson, Deputy Head of Legal & Monitoring Officer
Kenna-Victoria Martin, Senior Democratic Services Officer

Before the start of the Meeting, all present were advised that the meeting may be filmed and was being recorded, with the audio recording to be made available on the Council's website.

10. Minutes

The Minutes of Cabinet, held on 8 June 2016, were approved as a correct record.

11. Items of Urgent Business

There were no items of urgent business, although the Leader informed Members that he would be accepting a briefing note on 2015/16 Financial Outturn Position at Item 6, which had been circulated to Cabinet prior to the meeting.

12. Declaration of Interests

There were no declarations of interest.

13. Statements by the Leader

The Leader of the Council advised Cabinet that Councillor Allen had been involved in a road traffic accident and wished him a speedy recover.

Councillor Gledhill then commented that the environment was one of the priorities of this Administration and they were set to clean up Thurrock, so that it was a borough residents could be proud of.

He continued to explain that following a walk around Grays High Street with the Chief Executive a few weeks ago he was pleased that improvements had taken place and the High Street was looking cleaner.

The Leader announced that during the school holidays more frequent grass cutting in parks and open spaces was to commence, as well as routes into the borough including a clean-up of Thurrock's stretch of the A13. It was hoped the Highways Agency would complete the remainder of the A13.

14. Briefings on Policy, Budget and Other Issues

Councillor Hebb, Portfolio Holder for Finance and Central Services introduced the briefing to Members notifying them that the item was a reflective report on the previous year.

He continued to inform Cabinet he was pleased the budget was balanced, especially given the unplanned pressures (such as the Serco contract which Members had supported the previous administration in bringing back into the Council). Councillor Hebb advised that he had requested the Section 151 officer to complete a review of the reserves budget as a review had not been undertaken for 6 years.

Councillor Halden commented that he had been working with Councillor S.Little on the pressures in Children's Services. He informed Cabinet that a report would be taken to Overview and Scrutiny and he planned to visit the Children Centres within the borough in October.

The Leader expressed that he was pleased with the review into the reserves budget and commented that officers and Members regularly looked over the fees the Council charged and the reserves should not be different.

RESOLVED that the Cabinet:

- 1. Note that the General Fund Reserve has been maintained at £8m, after funding exceptional items from useable reserves and that a review of this balance will take place and be reported back accordingly;**
- 2. Note that the balance on the Housing Revenue Account Reserve at 31 March 2016 is £1.754m and the Development Reserve has supported the Transforming Homes programme with a remaining balance of £0.634m; and**
- 3. Note that there was a total of £64.430m in capital expenditure and some of the key projects set out in section 4**

15. Corporate Performance Framework 2016/17 and End of Year Corporate Performance Report 2015/16 (Decision 01104372)

Councillor Stewart, Cabinet Member for Performance & Communities presented the report, which provided a forward look at priorities for 2016/17 and a final look at how the council performed against its priorities last year 2015/16.

The Cabinet Member further explained she thought Key Performance Indicators (KPIs) were important and therefore she wanted them to be measured smartly and for future KPIs to be marked as either achieving or failing not by rating them red, amber or green.

Councillor Hebb welcomed the report stating that customer focus should be at the top of the framework. He further asked Councillor Stewart if she would include the top complaints as part of the Corporate Performance Framework. Councillor Stewart confirmed to Members that the top 5 regular complaints would be included within the Corporate Performance Framework.

Councillor Halden asked if a review could be undertaken into social values, measuring on how services should work in the best interest of the public. Councillor Stewart explained that officers were in the process of creating a questionnaire to be circulated for the public and businesses to measure what is relevant for residents.

RESOLVED:

- 1. To agree a full and thorough review of existing KPIs and other performance tools in 2016 in line with recommendations made by Corporate Overview and Scrutiny in 2015/16**
- 2. To agree the activities for the upcoming year within the Corporate Plan 2016/17 (Appendix 1) and performance framework for 2016/17 (Appendix 2) in the context of a full review in 2016**
- 3. To note the progress and performance against the corporate priorities for 2015/16 – Appendix 3**

Reason for Decision - as stated in the report
This decision is subject to call-in

16. Petitions submitted by Members of the Public

There were no petitions submitted.

17. Questions from Non-Executive Members

The Leader of the Council advised that two questions had been submitted and that the questions would be taken with the corresponding agenda item.

18. Matters Referred to the Cabinet for Consideration by an Overview and Scrutiny Committee

The Leader of the Council informed Members that no matters had been referred to the Cabinet by an Overview and Scrutiny Committee.

19. Procurement of Disabled Adaptations Services (Decision 01104373)

Councillor Robert Gledhill, Leader and Portfolio Holder for Housing introduced the report which set out the proposals to procure a contract to provide works and services in residents' homes where disabled adaptations were required.

He continued to inform Cabinet that the contract would be divided into two elements covering supply, installation, maintenance and repair of mechanical aids and major adaptations, such as building works.

The Leader further explained that the contracts would be for a four year period and bring together elements of work into a framework agreement that had previously been organised on a spot contract basis.

RESOLVED that Cabinet:

- 1. Agree the proposed process for procurement of the works and services referred to above for a period of 4 (four) years under a framework agreement.**
- 2. Approve delegation to award the contract to the Corporate Director of Adults, Housing and Health in consultation with the Portfolio holder in order to expedite the process for this critical provision.**

Reason for Decision - as stated in the report
This decision is subject to call-in

20. Thurrock Council Draft Transport Policy (Decision 01104374)

Councillor Halden, Cabinet Member for Education and Health presented the report, and in doing so explained the report replaced the previous policy and therefore brought the new policy in line with Council services.

He continued to explain the Transport Policy would enable the Council to save money and was flexible allowing testing to be completed. This ensured the service was being provided to residents who required it most.

The Cabinet Member for Education and Health highlighted the following sections of the policy to Members:

- Section 10
- Section 16
- Section 31.2

While highlighting relevant sections Councillor Halden expressed that should parents have any queries when applying for school transport they could

contact the Council as there were exceptional circumstances which may be able to be taken into account.

Councillor Hague commented that it was right that exceptional circumstances were mentioned within the policy as it gave protection to the Council's most vulnerable residents. Councillor Halden agreed with Councillor Hague and further commented that it withdrew issues of singling out children who attended certain schools, such as faith schools.

Councillor S.Little welcomed the report and was pleased to see that local councillors could assist parents when applying for school transport.

Resolved:

- 1. That Cabinet consider the Education Transport policy attached to this report and comment upon the content and if satisfied recommend that it be included in Thurrock Council's Policy Framework.**
- 2. That the Exceptional Circumstances Scheme be included in the wider work by elected members to review means tested support.**

Reason for Decision - as stated in the report
This decision is subject to call-in

21. Environmental Enforcement (Decision 01104375)

Councillor Tolson, Portfolio Holder for Environment introduced the report advising Members the physical appearance of the Borough was a top priority for the Council.

She continued by stating the Council was committed to implementing measures to address and improve Thurrock's appearance through a 'zero tolerance' campaign in relation to fly tipping.

Councillor J.Kent was invited to ask his question of the Portfolio Holder

"Recommendation 1.4 is the portfolio holder confident that retrospective fines are possible and legal?"

Councillor Tolson replied *"Thank you Councillor Kent, the fine is for the non-production when asked of the Duty of Care document and the waste contract. It is not going back in time, it is for when they are not able to produce and there is a certain amount of days they can do that in either by email, post or in person."*

Councillor J.Kent was offered the opportunity to ask the portfolio holder a supplementary question, in which he queried *"I welcome the greater enforcement but in Recommendation 1.3 notes £20,000 will be identified to enhance environmental enforcement resources for the coming year. Yet we are told at 3.18 there is an additional £300,000 would create 5 enforcement*

officers posts. £20,000 is a third of an enforcement officer. Could the portfolio holder tell us what she expects to achieve with that.”

Councillor Tolson responded explaining *“the £20,000 is for the trial period at the end of the summer for enforcement officers”*

Councillor Halden thanked the Portfolio Holder for her report, he then commented that by completing the campaign to ‘clean it, cut it, fill it’ it would enable the Council to ‘maintain it’.

Councillor Hebb welcomed the report and stated that Members were residents representing residents.

Councillor Tolson asked that Cabinet agree a recommendation at 1.7 that cabinet receive a further report in October 2016 to address littering and fly tipping on private land.

RESOLVED that Cabinet:

- 1. Agrees to implement a scheme for the issuing of fixed penalty notices for the unauthorised disposal of waste, sets the fixed penalty amount at £400 and does not set a reduced amount for prompt payment.**
- 2. Agrees that the environmental enforcement resource be enhanced, requests that costed business cases be prepared for the options set out in the report and that Cleaner, Greener, Safer Overview and Scrutiny consider those options at its October 2016 meeting before being brought back to Cabinet.**
- 3. Notes that £20,000 has been identified from in year back office savings to enhance the environmental enforcement resource in 2016/2017.**
- 4. Agrees to implement a scheme for the issuing of fixed penalty notices for businesses who do not provide on request to the Local Authority, copies of Waste. Transfer Notes for the previous 24 months or, in the case of a newer business, from the date the business commenced trading. The amount for the fixed penalty notice as laid out in the legislation is £300.**
- 5. Agrees to a reduced amount of £180 for the prompt payment, within 14 days of the fixed penalty notice for inability to provide a trade waste contract.**
- 6. Notes that a campaign against littering in Thurrock will begin during Summer 2016 and will include publicity relating to the issuing of FPNs.**
- 7. That cabinet receive a further report in October 2016 to address littering and fly tipping on private land.**

Reason for Decision - as stated in the report
This decision is subject to call-in

22. Tender of the Council's Insurance and Associated Services (Decision 01104376)

Councillor Hebb, Cabinet Member for Finance and Central Services presented the report which informed the Cabinet about the current contract for insurance and associated services, which was due to expire on 31st March 2017.

The Cabinet Member further informed Members that the current contract was for an initial period of 3 years, with the option to extend for a further 2 one year periods. He continued to explain that the recommendation allowed the Section 151 Officer to go out to tender for the contact, during which officers would test the market with a further report to be presented to Cabinet for the final decision.

Councillor J.Kent was invited to ask his question of the Cabinet Member

“Is the Portfolio Holder content that an officer should be given delegated authority to agree a spend of, currently, £1.2 million?”

Councillor Hebb replied *“Thank you Councillor Kent, I think I was very clear in opposition and will continue to do so in administration. Delegation powers are not the default position we should take as an Authority and Sean and I have had a very clear conversation. This piece of paper here tonight is merely to go to tender, it is not to award nor procure a contract, so yes I am comfortable.”*

Councillor J.Kent further queried *“That answer only covers the eventually of the Section 151 Officer not believing that renewal terms presented by the current provider are favourable. If the Section 151 Officer believes the deal officered by the current provider is in the best interest of the Authority should they also be sent back to Cabinet or at least be agreed in consultation with Group Leaders.”*

The Cabinet Member for Finance and Central Services stated *“Thank you Councillor Kent for your question, and it is a good question, what I would say is the Section 151 Officer, well not the officer, we inherited a contract that gave the Section 151 Officer the power to make that decision. So we are merely carrying over a process where we identify terms which are best in the interest of the Council”.*

RESOLVED:

That Cabinet approve delegation to the Director of Finance & IT to tender the contract for the Council’s insurance programme if renewal terms presented by the current provider are not favourable.

Reason for Decision - as stated in the report
This decision is subject to call-in

23. Community Asset Transfer Policy (Decision 01104377)

Councillor Hague Portfolio Holder for Business presented the report notifying the policy allowed the Council to work closely with the Voluntary, Community and Faith Sectors as key partners when delivering services to residents.

Councillor Coxshall queried as to how the policy would be advertised so that all community groups had the same opportunities. The Portfolio Holder commented that a variety of advertising routes would be used including social media.

Councillor Stewart welcomed the report and asked that the CVS community based groups were included and made aware of opportunities.

RESOLVED that Cabinet:

- 1. Acknowledge the work of the Thurrock Community Assets and Management of Assets (COMA) Partnership supported by Locality.**
- 2. Approve the decision making process set out in the Community Asset Transfer Policy.**
- 3. Approve and adopt the Community Asset Transfer Policy.**

Reason for Decision - as stated in the report
This decision is subject to call-in

24. Local Air Quality (Decision 01104378)

Councillor Tolson, Cabinet Member for Environment addressed Cabinet informing them the report asked Cabinet to approve the declaration of two new Air Quality Management Areas in Aveley and Purfleet, for which action plans were to be brought for Cabinet Approval in September.

She continued to inform Members that following investigations it was confirmed the annual average air quality for nitrogen dioxide within these areas were likely to be above 40 micrograms per cubic metre.

RESOLVED:

- 1. To approve the declaration of two new Air Quality Management Areas Aveley High Street / Ship Lane and Purfleet By-Pass.**
- 2. To note that action plan proposals for these proposals are under development and will be brought to Cabinet for approval in September.**

Reason for Decision - as stated in the report
This decision is subject to call-in

The meeting finished at 7.55 pm

Approved as a true and correct record

CHAIR

DATE

**Any queries regarding these Minutes, please contact
Democratic Services at Direct.Democracy@thurrock.gov.uk**

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7 September 2016	ITEM: 10 Decision 01104379
Cabinet	
Highways Maintenance Efficiency Programme – Asset Management and Recommendations for Improvement	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Brian Little, Cabinet Member for Transport & Highways	
Accountable Head of Service: Ann Osola, Head of Transportation & Highways	
Accountable Director: Steve Cox, Corporate Director of Environment and Place	
This report is Public	

Executive Summary

This report sets out the findings and recommendations from a review of the Thurrock Highway Asset Management Strategy in accordance with the Government’s Highways Maintenance Efficiency Programme (HMEP) and asks Cabinet to adopt refreshed versions of Highways Maintenance Policies and Strategies for Thurrock. These documents take on board the latest best practice and will allow the Council to deliver a better service within existing budgets, thus supporting the Council’s ‘Clean It, Cut It, Fill It’ campaign. The documents are part of a programme of work to bring Thurrock in line with HMEP standards and safeguard future revenue funding for highways maintenance. Together with the recently announced increased budget allocation for pothole filling, and a pioneering pilot project with DfT to explore the use of new technology to improve road maintenance, these documents will help deliver on Thurrock’s commitment to improve conditions for road users. The revised documents have previously been discussed and commented upon by Panning, Transportation and Regeneration Overview and Scrutiny Committee.

1. Recommendation(s)

That Cabinet:

- 1.1 Approves the HMEP efficiency principles approach towards the highway infrastructure asset management; and**
- 1.2 Endorses the attached revised Highways Asset Management documents.**

2. Introduction and Background

- 2.1. Thurrock Council, as Highway Authority, has a duty under the 1980 Highways Act to maintain its highway network to a reasonable standard, and in the interest of public safety.
- 2.2. Over the years, like most Authorities in the country, Thurrock Council has suffered from limited funding for highway maintenance and this has resulted in a large proportion of our roads and footways deteriorating, in some places, to a standard that is below public expectation and what a Highway Authority would consider to be adequate.
- 2.3. Highways maintenance funding is provided by the Department for Transport (DfT) based on each authority receiving an allocation of the total DfT maintenance funding. This has been for some years based on the size of each Authority's highways network.
- 2.4. To ensure that funding is used in an efficient manner, DfT have revised their process for allocation to include both, size of network and compliance with current best practice.
- 2.5. The DfT in collaboration with local Highways Authorities developed the Highways Maintenance Efficiency Programme (HMEP) which sets out best practice relating to Highways Asset Management and guidance on the most effective and efficient way to manage the highway asset.
- 2.6. To measure compliance with best practice the DfT are using the HMEP programme as the benchmark. A portion of the funding allocation called the incentive funding measures use of the HMEP.
- 2.7. This incentive funding requires local Highway Authorities to assess their own performance. The Highways Authorities are then graded between 1 and 3, with 1 being the least performing in terms of process and efficiency and 3 being the best. Thurrock Council's self-assessment score in December 2015 was Level 1.
- 2.8. The Transportation and Highways Service has developed a modernisation programme which will lead the Service into at least a Level 2 status, if not a 3, by December 2016. As part of this programme a suite of documents has been developed and are included as Appendices to this report, for which Cabinet support and approval is sought.
- 2.9. From 2016/17 to 2020/21 an increasing share of the funding (incentive funding) will be allocated on the basis of compliance with the HMEP. This means that in December 2016 low performing authorities (those still at Level 1) would lose 40% of their maintenance funding for 2017/18. Authorities in the mid band will lose 10% of their incentive funding if they remained at Level 2. Authorities in the highest band (Level 3) will receive 100% of the incentive funding. This means that if Thurrock remains on level 1 by December 2016

we would lose 40% of funding which equates to approximately £800,000. If Thurrock remained at Level 1 until 2020/21 we would lose 100% of the funding in 2020/21 which equates to approximately £1.9m. Clearly it is in Thurrock's interests to work towards achieving the highest banding possible.

- 2.10. Well maintained highways play an important role in Thurrock by way of supporting sustainability and the economic growth of the borough. Corporate priorities are also supported in that well maintained roads generally improve the aesthetics of a street which help build pride, responsibility and respect amongst the community. Promotion of improved health and well-being is also assisted when the highway infrastructure provides links and facilities to encourage active modes of travel.

3. Issues, Options and Analysis of Options

- 3.1. The efficiency principles of HMEP support the Council's corporate aim of "becoming a confident, well managed and influential council regarded by residents, peers and partners as ambitious for the people of Thurrock and totally focused on meeting their current and future aspirations" and set out the way forward for the Transportation and Highways service and asset management.
- 3.2. The adoption of the methodology set out in the appendices ensures that the service is modern and continuously improving. It would also ensure that the funding available is used in the most effective and efficient manner. It also equips the service to be in the best position to seek additional funding as and when opportunities arise.
- 3.3. The DfT has agreed to fund a pilot study on new methods of carrying out road surface condition assessments to further assist Council's in working more efficiently. Thurrock has been selected as one of the boroughs to receive the trial which is being undertaken during August / September 2016.
- 3.4. The Corporate Director of Environment and Place and the Head of Transportation and Highways have identified the necessary measures the service needs to implement in order to meet the HMEP requirements that will result in Thurrock becoming at least a level 2 authority by December 2016. The measures include refreshing and development of the strategies and policies identified by HMEP and the DfT as fundamental to running an effective and efficient highway network.
- 3.5. The DfT recognises the deficit within Highway Authorities and recently awarded Council's additional funding for pothole/carriageway repairs. Thurrock Council was awarded £110,000 and a programme of carriageway remedial works has been developed which commenced in June. In order to support the drive for efficiencies to be made, innovative repair techniques are being trialled which not only brings efficiencies in the working practices, but also supports the 'Clean it, Cut it, Fill it' campaign as the new repair methods

should result in more defects being addressed than would otherwise be afforded.

- 3.6. The appendices included in this report address much of the highway asset management best practice. In addition, the Highways Asset Management Policy, Strategy and Communication Strategy (Appendices 1-3) form part of necessary documentation required to manage assets of any Highways Authority whereas appendices 4 and 5 are a specific requirement of the HMEP programme. Appendix 6 reflects an interim review of the current Policy which will receive a full overview in 2017 when the new Code of Practice is released by the DfT.

Highways Asset Management Strategy

- 3.7. The Council as Highway Authority is committed to the good management of the highway asset presently and for generations to come, and recognises that effective asset management is essential to deliver clarity around standards and levels of service, and to make best use of available resources.
- 3.8. The Highways Asset Management Strategy reflects the guidance laid down in the suite of national Codes, in particular the Code of Practice 'Well-maintained Highways' and the guidance issued by the Highway Maintenance Efficiency Programme (HMEP) on the use of asset management principles.
- 3.9. The purpose of this document is to: i) formalise whole lifecycle strategies for investment in key highway asset groups; ii) define affordable service standards; iii) improve the management of the highway asset; and iv) enable more effective and efficient Value for Money (VfM) highways services to be delivered.
- 3.10. The Asset Management Strategy underpins the Highway Asset Management Policy and is one of the key strategic documents related to the delivery of the Council's highway services.

Highways Asset Management Policy

- 3.11. As a Highway Authority, we have a duty to act as stewards and custodians of the highway infrastructure assets. We must ensure they are fit for purpose and maintained with consideration to whole life costs, whilst taking associated risks into account and aligned to our corporate objectives. The Highways Asset Management Policy has been created to give guidance and direction to this process.

Highways Asset Management Communication Strategy

- 3.12. Thurrock Council is committed to ensuring effective communication takes place throughout its service areas. Effective communication safeguards and improves the reputation of the service and ensures that Councillors and Officers present themselves well to customers and key stakeholders.

- 3.13. By engaging in communication with our customers and stakeholders, we will ensure that the thoughts, ideas, and concerns they generate are given due diligence and thus ensure public participation in the decisions making process.
- 3.14. The Highway Asset Management Communications Strategy includes the stakeholders' analysis which identifies Thurrock Council's stakeholders and specifies the means and frequency of engagement.

Drainage Asset Management Review

- 3.15. The Highways Maintenance Efficiency Programme (HMEP) has issued the Highways Drainage Assets Guidance, which showcases current good practice, tools and techniques to manage and maintain drainage assets to prevent localised flooding which aims to help local highway authorities to plan the most cost effective approach to managing and maintaining their drainage assets.
- 3.16. The purpose of the Drainage Asset Management Review is to outline Thurrock Council's current position in relation to the report and its recommendations and assess any future improvements required in order for Thurrock Council to comply in full.

Pothole Management Review

- 3.17. The 2012 HMEP Potholes Review: Prevention and a Better Cure has considered how local highway authorities deal with potholes. It makes 17 recommendations that will, if implemented, provide an improvement in highway maintenance and reduce the number of potholes occurring.
- 3.18. The purpose of the Pothole Management Review is to outline Thurrock Council's current position in relation to the report and its recommendations and assess any future improvements required in order for Thurrock Council to comply in full

Maintenance Policy

- 3.19. The highways maintenance Code of Practice is due to be updated in 2017 and as a result, the 2012 Highways Maintenance Policy will be fully refreshed to take into account the changes that the new Code brings. It is expected to bring changes relating to the way highway defects are addressed and prioritised, with the focus of prioritisation moving to a risk based approach as opposed to defined defect levels that may not be appropriate for all Council's to deploy. Appendix 6 of this report provides an interim revision, with the main changes being an additional response time to reactive maintenance to assist with works programming.

4. Reasons for Recommendation

- 4.1. The principles of HMEP support the Council's corporate policies and lead Thurrock into becoming a modern, efficient, evolving service in terms of performance and efficiency and also accords with the 'Clean it, Cut it, Fill it' campaign.
- 4.2. The approval of the HMEP efficiency principles approach towards the highways infrastructure asset management and endorsement of the revised documentation would demonstrate the executive support and leadership necessary to achieve planned transportation and Highways improvements.

5. Consultation (including Overview and Scrutiny, if applicable)

The proposed revised policies was discussed in Planning, Transportation and Regeneration Overview and Scrutiny Committee at its meeting of 18th July 2016.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1. This report is consistent with corporate priorities especially "protecting and promoting our clean and green environment".

7. Implications

7.1. Financial

Implications verified by: **Laura Last**
Senior Finance Officer – Management Accounts

From 2016/17 to 2020/21 an increasing share of the funding (incentive funding) will be allocated on the basis of compliance with the HMEP. This means that in December 2016 low performing authorities (those at Level 1) would lose 40% of their maintenance funding for 2017/18. Authorities in the mid band will lose 10% of their incentive funding if they remained at Level 2. Authorities in the highest band (Level 3) will receive 100% of the incentive funding. This means that if Thurrock remains on level 1 by December 2016 we would lose 40% of funding which equates to approximately £800,000. If Thurrock remained at Level 1 until 2020/21 we would lose 100% of the funding in 2020/21 which equates to approximately £1.9m. Clearly it is in Thurrock's interests to work towards achieving the highest banding possible.

The updated strategies and policies will support our efficient operations in line with the Highways Maintenance Efficiency Programme (HMEP) which would allow us to deliver the savings already planned for in the budget.

The changes to the strategies and policies do not propose any additions to current operating costs.

7.2. Legal

Implications verified by: **Dr. Paul Field**
**Senior Governance Solicitor and Deputy
Monitoring Officer**

Decisions about highways maintenance have the potential to carry significant legal implications to the Council if not considered and applied appropriately. The Council is a Highway Authority under the Highways Act 1980. Section 41 of the Highways Act places a duty on the Council to maintain the highways for which it has a responsibility. In addition, common law expects the Council to ensure that the highway is maintained to a reasonable and safe condition. There is a risk that over time the condition of parts of the highway may present a danger. To minimise this risk highway inspections need to be undertaken at the frequency set out in the Highways Maintenance Policy. Section 58 of the Highways Act 1980 provides a statutory defence to claims of failure to maintain if a Highway Authority can show it has taken such care as is reasonable so as to keep the highway in a safe condition. In determining whether the Council has taken reasonable care the courts will consider the character of the highway, the traffic which uses it, the standard of maintenance appropriate for that highway, the state of repair in which a reasonable person would have expected to find the highway and whether the highway authority knew, or could reasonably have been expected to know, that the condition of the highway was likely to cause danger. If it is not possible to fully repair a defect on the highway in a timely manner and in line with Policy, the defect should be temporarily made safe.

It is important that Highway Authorities have a Highway Asset Management Strategy and Policy that sets out the way in which the Council will maintain its highway asset in a way that protects the community and reduces the risk of legal challenge and subsequent liability. As resources are limited it is of vital importance that inspections and the prioritisation of defects and maintenance is informed by the Highways Maintenance Policy. The approval of use of such tools is the key purposes of the recommendations in this report as without systematic managing of the condition of the highway network and its assets there could be an increase in insurance claims that could not be defended.

7.3. Diversity and Equality

Implications verified by: **Rebecca Price**
Community Development Officer

There are no diversity and equality implications arising from this report

7.4. **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

- None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Highways Act 1980
- Traffic Management Act 2004
- Details of the HMEP programme are accessed on the website www.highwaysefficiency.org.uk

9. **These documents can be found in the library section of the Modgov system on the Council's website at:**
thurrock.gov.uk/committees-meetings-minutes

- Appendix 1: Highways Asset Management Strategy
- Appendix 2: Highways Asset Management Policy
- Appendix 3: Highways Asset Management Communication Strategy
- Appendix 4: Drainage Asset Management Review
- Appendix 5: Pothole Management Review
- Appendix 6: Highway Maintenance and Network Management Policy Guidance and Standards

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Transportation & Highways

Highways Asset Management Strategy

2016

DRAFT

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1. Introduction

Thurrock Council recognises the importance of the highway infrastructure in the context of the well-being of all who use it. The Council as Highway Authority is committed to the good management of the highway asset not only for now but also, for future generations, and recognises that effective asset management is essential to deliver clarity around standards and levels of service, and to make best use of available resources.

The Asset Management Strategy underpins the Highway Asset Management Policy and is one of the key strategic documents related to the delivery of the Council's highway services.

This document reflects the guidance laid down in the suite of national Codes, in particular the Code of Practice '*Well-maintained Highways*' and the guidance issued by the Highway Maintenance Efficiency Programme (HMEP) on the use of asset management principles

The purpose of this document is to:

- Formalise strategies for investment in key highway asset groups
- Define affordable service standards
- Improve how the highway asset is managed
- Enable more effective and efficient Value for Money (VfM) highways services to be delivered.

2. National Policy & Legislative Requirements

Developing a Highways Asset Management Strategy (HAMS), keeping it up to date and actually using it to feed into the decision making process is widely seen to be a valuable exercise. However, there are a number of other drivers.

2.1. Government Guidance for the Local Transport Plan

The requirement to produce a HAMS was first highlighted in the Full Guidance on Local Transport Plans (LTP) published by the Department for Transport in December 2004. This required all Transport Authorities to produce a statement in their Provisional second LTP submissions on their proposed approach to producing a HAMS. Following further guidance from Department for Transport, these statements were revised for the Final second LTP submissions in March 2006.

It is clear that the Department for Transport sees HAMSs as the key tool in the future management of the highway network. This is further indicated by recent events with regard to the way the Government allocates funding for structural maintenance. For 2011/12, the Department for Transport started to remove road condition data from the formula used to allocate the capital maintenance block between authorities, moving towards just using road lengths and classification to allocate funding. However, a working group of local authority officers will consider further changes to the maintenance formula. The Department for Transport is “attracted by the suggestion of linking the formula to highways asset management”, i.e. a HAMS.

2.2. Whole Government Accounting (WGA) Requirements

Since 2006 all local authorities have been required to produce a valuation of their highway assets. Under these requirements from 2007/08, local highway authorities were expected to determine not only the value of their assets, but also monitor year on year whether or not they are depreciating following investment. There is therefore a close relationship between asset management and asset valuation.

2.3. Guidance

Also available at the national level is a series of guidance documents on asset management. The HAMS for Thurrock has been developed making use of these, which are:

- Guidance on the Requirements for the Production of Highways Asset Management Plans and a Simple Valuation Methodology – TRL (2006)
- Guidance Document for Highway Infrastructure Asset Valuation – County Surveyors Society/TAG Asset Management Working Group (2005)
- Highway Asset Management Worldwide Experience and Practice – County Surveyors Society (2004) Framework for Highway Asset Management
- Management of Highway Structures: A Code of Practice – Roads Liaison Group (2005)

3. Local Policy Framework

A full review of the HAMS will commence towards the end of 2016. It is anticipated that the HAMS will be a tactical document that links both the strategy set out in the Thurrock Transport Strategy 2013 - 2026 and the priorities in the LTP to the more detailed operational and business plans, especially the annual programme for highway maintenance works. This chapter therefore summarises the key objectives and policies of Thurrock Council, especially as described in the Thurrock Transport Strategy 2008-2021 and the contribution that well-structured maintenance can make.

3.1. Thurrock Transport Strategy: 2013 to 2026

The Thurrock Transport Strategy 2013 to 2026 comprises the strategy element of the statutory Local Transport Plan. It has a number of transport specific objectives that are supported by maintenance practices, including:

- Delivering Accessibility
- Tackling Congestion
- Improving Air Quality and Addressing Climate Change
- Safer Roads
- Facilitating Regeneration

To meet these and other objectives, the Thurrock Transport Strategy has five thematic strategies concerning accessibility, congestion, safety, air quality and climate change, and regeneration.

The thrust of the accessibility strategy will work to deliver the following outcomes:

- Enhanced access to key services, goods and opportunities for disadvantaged groups, especially to employment, hospitals and further education;
- People have sustainable transport options providing accessibility to shops and businesses, education and leisure facilities;
- Residents in rural areas have access to appropriate transport options;
- Improved access to London Gateway;
- Improved access for people to sustainable transport options;
- Improved physical fitness, especially in disadvantaged communities, through greater use of active transport such as walking and cycling; and
- Sustainable access to areas of new development and regeneration.

The strategy for tackling congestion will be to deliver a targeted programme of measures to encourage a modal shift to more sustainable modes of transport such as walking and cycling, and improve the efficiency of the transport network. Key relevant policies include:

- The development of a network of high quality inter-urban public transport routes;
- A modal shift towards walking, cycling and public transport;
- Improved highway network efficiency.

Improving air quality and mitigating/ adapting to climate change will be achieved by supporting modal shift and then reducing emissions from vehicles, as well as reducing Thurrock's vulnerability to climate change. Key relevant policies include:

- Transport measures that reduce both greenhouse gas and air pollution emissions will be prioritised;
- Mitigating the adverse impacts of freight operations by reducing emissions from Heavy Goods Vehicles in Thurrock;
- When undertaking transport improvements, including maintenance schemes, the Council will integrate climate change adaptation measures into design to ensure that vulnerability to the transport network from climate change is minimised.

The safety strategy, whilst aiming to reduce casualties where people are killed or seriously injured on the Thurrock road network, will take a broader and proactive approach, aiming to reduce road danger and improve personal security and thereby promote modal shift and community regeneration. Key policies include:

- A priority will be safety around schools;
- Integrating road safety into all work programmes, including maintenance;
- Creating a safer environment for pedestrians and cyclist.

The regeneration strategy is largely integrated into the other thematic areas, particularly in terms of social and economic regeneration. However, key policies related to environmental regeneration are:

- When designing and implementing transport improvements the Council will ensure they contribute to the quality of the public realm and the integrity of its historic and cultural setting;
- When designing and implementing transport improvements the Council will ensure they contribute to the protection and enhancement of habitats and biodiversity, the integrity of water quality, and the preservation and enhancement of the landscape.

3.2. Maintenance priorities

Maintenance is important for all of the Local Transport Plan objectives, for example:

3.2.1. Safety

Maintenance practice can impact on road safety, including accidents and safety concerns that might inhibit modal shift, as well as personal security such as through the availability and quality of street lighting after dark.

3.2.2. Congestion

Maintenance practice can help to promote modal shift by improving conditions for pedestrians and cyclists, and improve network efficiency such as through careful

programming and coordination of maintenance works, especially on key routes so as to minimise congestion and disruption. It can also reduce the likelihood of incidents on important routes.

3.2.3. *Climate change and air quality*

Maintenance practice can reduce emissions in a number of ways, such as:

- In-situ recycling to reduce lorry movements
- Recycling of materials to reduce the need for the quarrying of primary aggregates and the associated processing and transportation of raw materials
- Eco-driver training for maintenance staff
- Use of low emission/ fuel efficient maintenance vehicles
- Adapting to climate change, such as through flood prevention measures

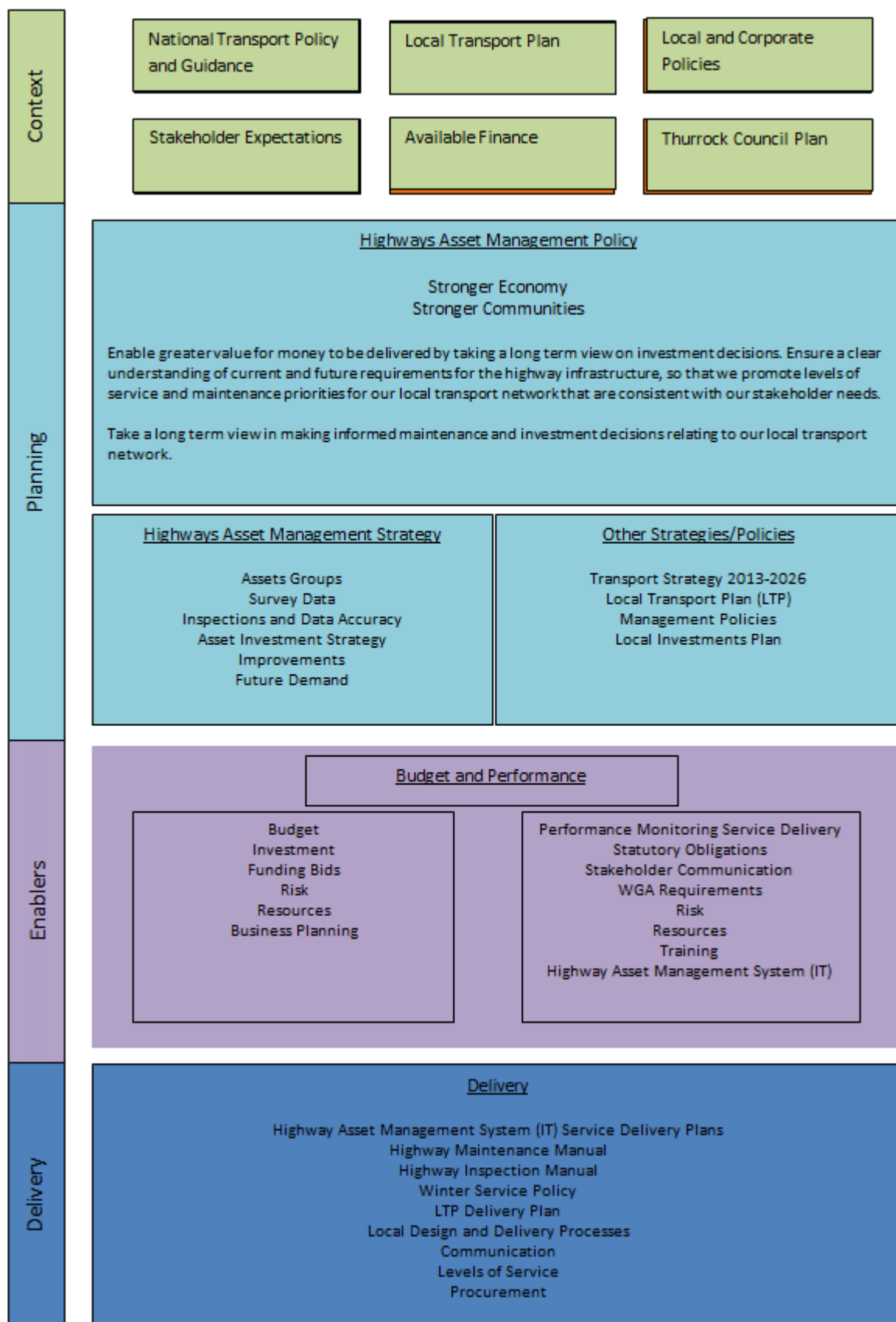
3.2.4. *Accessibility*

Maintenance practice can support accessibility by helping to create good conditions for pedestrians and cyclists, and taking into account the needs of people with disabilities.

3.2.5. *Regeneration*

Maintenance practice can support environmental regeneration, including through: recycling materials and so reducing the need for land take, reducing street clutter, protecting and enhancing habitats and biodiversity such as in verges, using appropriate materials in areas of cultural heritage, and helping to avoid noise and water pollution.

4. Asset Management Framework



5. Strategy for Individual Assets

As part of the asset management framework, and in accordance with other national guidance, the highway asset has been divided into asset groups. Each group is then broken down into asset components. The asset groups and components are described below in section 6.1.

A key function of the asset management process is to understand the funding needs of each asset group and component against performance, aims and objectives. This means understanding funding requirements, which will meet the following:

- LTP objectives;
- Delivery Planning;
- Performance Targets.

Key to this process is a need to understand the impact of financial decisions on customer satisfaction and the delivery of the corporate priorities. The impact that investing in one asset component may have on the overall performance of other asset components as well as the whole asset, is considered during the assessment process.

For the delivery of the highway service, Thurrock Council undertake all highway operations including all routine and operational functions along with planned maintenance and regeneration schemes.

In line with national guidance and good practice, Thurrock Council is developing a whole lifecycle approach to managing its highway maintenance activities. Understanding how long specific maintenance treatments last, the relative cost of these treatments and the Levels of Service (LoS) provided are essential pre-requisites to good asset management. Thurrock Council's goal is to continue to provide a safe and effective highway network, demonstrating value for money and efficient service delivery, in line with Council priorities.

6. Assets

6.1. Asset Groups

Asset	Quantity	Asset Component
Carriageway	560km	Carriageways including road markings, traffic calming features
Footway	1,000km	Footways, cycle ways, pedestrianised areas
Structures	133	Bridges, culverts, embankments, retaining walls, vehicle restraint systems
Drainage	20,000 gullies	Gullies and linear drainage channels, highway drains (including pipework, manholes and outfalls), pumping stations and telemetry, land drainage ditches and watercourses, roadside ditches
Street Lighting	1,500 lighting columns 3,500 illuminated signs	Lighting columns, lamps, cabling ducts, illuminated signs and bollards, subway lighting

	1,500 illuminated bollards	
Traffic Signals	50 signalised junctions	Signalised junctions, pedestrian and cycle crossings, urban transport control (UTC) system, detection equipment, cabling and ducting, CCTV equipment in the highway
Street Furniture	30,000 signs	Signs (advance direction, warning, regulatory, local direction/information), sign posts, non-illuminated bollards, information bollards, fences, guardrails, barriers, cycle stands, street name plates, bus stops and shelters, litter bins, benches/seats, cattle grids
Rights of Way	170km	178 Footpaths, 11 bridleways, 1 byway

7. Asset Management Roles

7.1. Senior Decision Makers' Roles

Council / Cabinet Members	Leadership & directions
Chief Exec	Demonstration of Senior Management Commitment
Director	Leadership & directions
Head of Service	Leadership & delivery of asset management benefits
Finance team	Whole of Government Accounting reporting

7.2. Asset Management's Roles

Highways Infrastructure Manager	Development of HAMS
	Development of HAM Plan & assign resources required for its implementation
	Develop any other HAM supporting documents
	Liaise with stakeholders
	Review HAM activities & develop improvements
	Ensure programmes are consistent with level of service
	Work with business and info systems to ensure that they meet asset management needs
Principal Highways Engineer	Implement HAM Plan
	Roads & Footways Management
	Structures Management
	Lighting Management
	Maintenance Management
	Inspection and Condition Measurement
	Info Technology Management
Data Collection & Management	

7.3. Asset Team's Roles

Roads & Footways	Paved areas
	Drainage
	Geotechnical assets
	Fences, walls, screens, environmental barriers
	Rd restraint system
	Marking and studs
	Rd traffic signs
	Landscape
	Signs and bollards
Inspection and Condition	Safety and serviceability inspections
	Condition surveys
Structures	Bridges
	Large culverts
	Small pan structures
	Retaining walls
	Tunnels
	Sign gantries
Lighting	Lighting
	Illuminated signs & bollards
	Energy
Maintenance	Maintenance works
	Procurement associated with maintenance
	Integration and optimisation of planned works
	Minimise impact on the network
Information Technology	Information systems
	Traffic signals
	Variable Message Signs
Data Collection & Management	Inventory
	Condition
	Construction & maintenance records

8. Asset Management Planning

The asset management should aim to develop a process for carriageways, which allows lifecycle aspirations to be considered and compared with condition targets, budget constraints and stakeholder's wishes, offering options for route and treatment strategies. Where suitable data is available this concept can, and will be implemented across other asset groups.

Packages of information are prepared annually, allowing the design team to formulate programmes of work based on the allocations identified in the previous stages. To further support and inform local needs a prioritisation process is being developed for carriageways to formulate programmes of work that relate to the high level aspirations, bringing customer focus and economic influences into the decision process. Where

suitable data is available and where appropriate this concept will be extended to encompass other Asset Groups. This will allow decisions to be made that consider criteria as well as condition and develop work programmes that are not necessarily based upon 'worst condition first'.

8.1. Gross Replacement Cost and Depreciated Replacement Cost

Whole of Government Accounts (WGA) has set new requirements for the way the value of the highway asset is reported to the HM Treasury in the Authority's audited accounts. The new approach has now been fully implemented. Authorities are now required to report the Depreciated Replacement Cost (DRC) of the highway asset. For this to be achieved on a yearly basis there is clear need for accurate and detailed inventory information and performance data. This requirement is supporting asset management by providing an improved understanding of network deterioration and combining it with the levels of service to be achieved.

The strategy will be developed with the Councils Finance team to ensure asset management practices are in place to satisfy the financial reporting requirements defined in the Transport Infrastructure Assets Code, published by CIPFA in May 2010. Thurrock Council embraces this approach and is developing the processes for collating the data needed to meet the WGA requirements, whilst developing good asset management practices that will lead ultimately, to a refinement of the service. This requirement is supporting asset management by providing an improved understanding of network deterioration and combining it with the levels of service to be achieved.

9. Future Demand

9.1. Lower Thames Crossing

The Lower Thames crossing is a proposal brought forward by Highways England (HE) to construct a new Thames Crossing in order to relieve the current crossing and reduce congestion.

This has been strongly opposed by Thurrock Council due to a lack of sufficient data to support the proposal. However, if the proposal is approved this could put considerably more pressure on the current network.

10. Benefits of Asset Management Strategy

The benefits of implementing the asset management strategy are as follows:

- Encourages engagement with other stakeholders, including Elected Members, Senior Officers and the public;
- Readiness to respond to changes resulting from climate change, weather emergencies, contractors, resilience and finance,
- Close working and integration of efforts with other parts of the Council, including

- Corporate aims and objectives;
- Improved delivery within budget constraints – including procurement;
- Efficiencies – better ways of doing things, or improved service, enhancing performance in a challenging environment.
- Improved understanding of customer aspirations and expectations;
- To influence and focus on the better use of resources.

11. Improvement Plan

Theme	Status	Actions	Completion Date
Strategy – investment level	Strategies and options reports need to be developed as part of the budget setting process	1. Develop strategies and options reports – set investment level outcomes.	Dec 2016
	There is a need to review the cost coding structure to enable improved cost control and benchmarking	2. Review and implement revised cost coding structure if required.	Feb 2017
Asset Register	Asset Data is relatively poor. Some Asset Data is stored externally including Traffic Management and Structures. Internal data is patchy with no formal records for Drainage or Street Furniture.	3. Collect condition data for footways 4. Develop strategy for drainage and Street Furniture asset data collection and collect higher priority items	Ongoing Sep 2016
	Data is required regarding gully cleansing operations. The data will be used to devise a more cost effective and efficient gully cleansing regime, visiting higher need gullies more frequently and those that are routinely found to not need cleaning less frequently.	5. Collect gully cleansing data 6. Devise improved gully cleansing regime	Ongoing Sept 2016

Communication Strategy	Future customer contact data and NHT survey results to be reviewed and analysed	7. Customer contact data to be collected and analysed, recorded on lessons learnt register and implemented in future decision making process as appropriate.	Jan 2017
		8. NHT survey results to be reviewed and analysed, recorded on lessons learnt register and implemented in future decision making process as appropriate.	Nov 2016
Carriageway Lifecycle Planning	There is accelerated deterioration of carriageways due to high level of HGVs on specific routes and areas at risk of structural damage due to periods of exceptional weather.	9. Carry out analysis to quantify and determine a response to this damage.	Sep 2016
Information systems	The Council has invested in an asset management system Symology, to support asset management.	10. Review inventory data collection and storage	Jul 2016 - done
		11. Add required inventory data into Symology	Nov 2016
		12. Agree procedures for maintenance of data	Nov 2016
		13. Continue updates of asset data.	Ongoing
Whole Life Cost Planning	Prioritisation processes for key asset groups	14. Budget allocation process between key asset groups requires review and updating.	April 2017

12. Good Practice

Thurrock Council is committed to the development of good practice and benefits from lessons learnt at National, Regional and Local levels. Officers from Thurrock Council regularly contribute to and attend:

- National and regional conferences;
- The CIPFA Highways Asset Management Planning Network;
- South East HAUC

Furthermore, Thurrock Council is committed to the sharing of knowledge and experiences in implementing asset management with other Highway Authorities across the Country. To this end, officers from Thurrock Council should aim to regularly present examples of good practice at national conferences and regularly attend meetings with the following groups:

- Highways Asset Management Financial Information Group (HAMFIG);
- The Chartered Institute of Public Finance and Accountancy CIPFA
- Highway Maintenance Efficiency Programme HMEP
- UK Roads Board
- National and regional conferences
- South East HAUC

13. Risk Management

13.1. *Introduction to risk management*

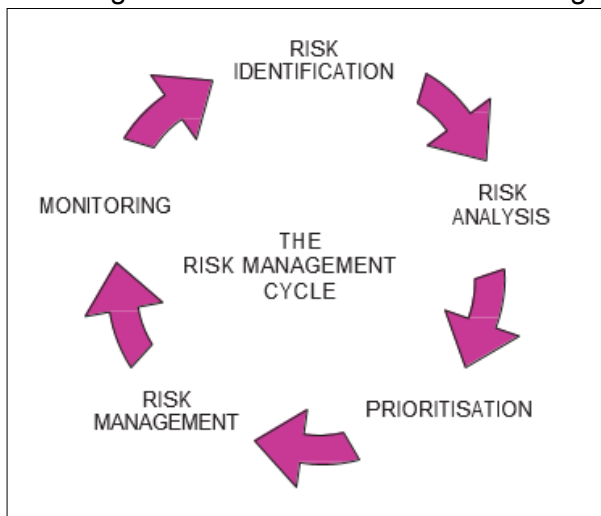
Thurrock Council has established risk management processes across all of its services including its highway infrastructure. These processes continually evolve and are subject to regular review to reflect customer requirements and the changing nature of the council's organisation.

The Accounts and Audit Regulations 2006 require the council to have in place arrangements for the management of risk. Regulation 4(1) states "the relevant body shall be responsible for ensuring that the body has a sound system of internal control which facilitates the effective exercise of the bodies functions and which includes arrangements for the management of risk" placing direct responsibility with all directors for risk management and maintaining sound systems of internal control within their area of service delivery.

Regulation 4(2) states "the relevant body shall conduct a review at least once a year of the effectiveness of its systems of internal control and shall include a statement on the internal control with any financial statements the body is required to publish" and requires the directors to make an annual governance statement on risk management and internal control which is embraced in a single statement made by the leader of the council, the chief executive and the Chief Finance Officer (CFO) as an integral part of the annual statement of accounts.

13.2. The risk management cycle

The diagram below identifies the risk management cycle.



Risk management within the asset management context involves an assessment of comparative risks to assist both options appraisal and options selection, by considering:

- The risks associated in providing different levels of service;
- The risks associated with variation of funding levels;
- The comparative risk of distributing varying funding levels between different asset groups.

As the above diagram shows, the risk management process concentrates overwhelmingly on four main risk issues:

- Recognising and quantifying risk;
- Assessing the nature of risk;
- Managing and controlling risk;
- Reviewing, monitoring and reporting risk.

Further level of details is contained in the reviewed annually Thurrock Council Corporate Risk & Opportunity Policy (December 2015).

13.3. Risk based asset management

Thurrock Council's HAMP builds upon these principles to enable more appropriate targeting of resources, projects to be managed more effectively, and the council's overall exposure to risk to be minimised.

The risk management process is part of the council's broader mainstream objective to bring together in one place the key components of its activities inside an integrated framework, as evidenced through key policy statements such as: corporate plans, capital strategies, business processes, financial and performance monitoring reports, and the budget setting process.

The safety of the highway network is managed under a risk based regime where the frequency and type of safety inspection is determined by the asset type. It is important that reasonable care is taken, based on proper assessment of risk, to ensure that appropriate maintenance steps are taken, while at the same time ensuring that public

money is used efficiently. Routine and scheduled safety inspections are carried out to detect dangerous defects, any necessary reactive work is based upon the likelihood and impact that the defect may have.

Any defects detected through routine inspections are repaired according to risk based protocols aimed at making individual assets safe or improving their serviceability. While the inspections themselves are routine, the repairs are sometimes of a reactive nature, meaning that they occur in response to an unpredictable trigger and are not pre scheduled.

The evaluation of each defect is based upon the risk they pose. Defects are then categorised and prioritised for repair according to appropriate guidance as contained in published Codes of Practice such as 'Well Maintained Highways' and 'Management of Highway Structures' and as outlined in detail in Highways Maintenance Policy (August 2016).

An effective regime of inspection, assessment and recording is a crucial component of highway maintenance. The characteristics of the regime, including frequency of inspection, assessment of the relative risks, items to be recorded and nature of response are set out in the Council's policies and maintenance strategies.

Highway structures are subject to a regime that detects any defects which may cause an unacceptable safety or serviceability risk, or a serious maintenance requirement to be detected in good time. The regime consists of a combination of Acceptance, Routine Surveillance, General and Principal Inspections of the whole structure and more detailed Safety and Special Inspections, as necessary, concentrating on known or suspected areas of deterioration or inadequacy.

Thurrock's highway inspection, assessment and recording regimes address the core objectives of highway maintenance, namely:

- Network safety
- Network serviceability
- Network sustainability

Many of the physical risks on the highway are identified from the surveys and inspection processes, however, the wider risks associated with the highway arise in a variety of different forms as described in the Council's Risk and Opportunity Policy guidance (December 2015 version is published on the Council's website).

Highway inspections generally fall into the following three categories:

13.3.1. Condition Surveys

Condition surveys are intended to identify deficiencies in the condition of the highways asset at a network level, including its long term performance and serviceability. They also support requirements relating to statutory performance measurement and asset valuation.

13.3.2. Service Inspections

The scale and scope of these inspections are determined by the requirements of the particular highway asset. The category includes Engineering Programme Inspections and inspections for regulatory purposes such as NRSWA which are intended to maintain network availability and reliability.

13.3.3. Safety Inspections

Routine Safety Inspections are carried out across the network in order to identify defects that are likely to create danger or serious inconvenience to users of the highway. The risk of danger is assessed on site, and in the case of highway defects they are identified as mainly Category 1 or 2 severity and are dealt with under the appropriate priority response.

The frequency of highway Safety Inspections relate to usage, network hierarchy, speed limits and urban/rural characteristics, whilst giving account to the likelihood of defects and the risk that they might pose if left undetected, and the staff resources available for implementing safety inspection regimes. Inspection frequencies are based around the guidance provided in the RLG Well-maintained highways COP for maintenance management.

Where carriageway and footway hierarchies are different, the authority aims to inspect in accordance with the requirements of the highest category. Further detail on the defects and frequency of inspections is contained in the Highways Maintenance Policy (August 2016).

13.4. Risk management implementation

13.4.1. Risk Identification & Evaluation Meetings, (monthly activity) (Infrastructure manager and team leaders)

- The risk identified is to be evaluated and a risk matrix prepared to establish the severity and probability. A Senior officer should carry out the risk analysis, complete the risk scenario and management action plan as per corporate risk management guidance and enter it on the risk register.
- Any unexpected events/issues which have failed to be identified as a risk but occurred and required resolution would be resolved and recorded on the lessons learnt register.
- A delegated officer shall maintain the lessons learnt and risk register which should be updated monthly.

13.4.2. Management and Review Meetings (quarterly activity) (Head of Service and Managers)

- The Transportation and Highways Management Team monitors agreed corporate actions and assesses additions/deletions to the service and project risk registers.
- Key risks identified in the Action Plans are reviewed and new significant risks or opportunities fed into the corporate risk register on a quarterly basis. The Service key risks are informed by the ongoing service and business change programme/project risk registers.
- The lessons learnt are reviewed on quarterly basis to determine whether any of the recorded issues should have been identified as a risk and mitigated. If so, this is done and it demonstrates the implementation of the lessons learnt in the risk management process.

13.5. Continuous improvement of risk management

Actions	Frequency
<ul style="list-style-type: none"> Risk management training to be included in the staff induction, refresher training and specialist training. 	Ongoing
<ul style="list-style-type: none"> Develop service unit/business unit risk profiles where these do not already exist. 	As and when required
<ul style="list-style-type: none"> Develop programme/project risk profiles, as appropriate, where these do not already exist. 	At programme project initiation and through lifecycle
<ul style="list-style-type: none"> Monitor, update and review the Highway Asset Management Policy (HAMP) and Strategy to include recommendations and actions arising from various inspection outcomes, changes in legislation etc. 	Annually
<ul style="list-style-type: none"> Cabinet receives report on corporate risk management performance 	Annually
<ul style="list-style-type: none"> As part of the approval for the Highways Asset Management Policy and Strategy also endorses risk based asset management approach. 	Every 3 years

13.6. Risk management compliance

To demonstrate compliance with this strategy the following documentation and procedures are in place:

- Corporate Risk Management Strategy;
- Related policy statements and council procedures;
- Business continuity/contingency/emergency plans – including tests and reviews;
- Internal audit reporting;
- Risk management action plans and risk registers;
- Contract/programme/project proposal review and sign-off;
- Corporate risk register;
- Service risk register;
- Programme/project/risk registers;
- Partnership risk registers;
- Contractual/contract risk assessments/registers;
- Reports/minutes: council, cabinet, audit committee, performance boards/management team meetings;
- Risk management training arrangements;
- Strategic policies, plans, financial plans, performance management and project/programme management plans and reports;
- Governance arrangements and plans for significant partnerships including risk management;
- Procedure notes and manuals for business critical systems; and
- Business continuity plans including tests and reviews.

The Transportation & Highways Service Plan contains sections dedicated to risk analysis, risk management action planning and it also holds a risk register. The Service Plan is informed by the engineering professional knowledge of our officers, emerging best practice and findings from inspections and corporate health checks. It also includes the actions to respond to the Key Lines of Enquiries (KLOE). The Service Plan provides assurance to Audit Committee, Cabinet, CMT and other stakeholders that processes continue to be developed and streamlined to meet organisational needs.

The risk based asset management is applied to all 24hrs operational maintenance service areas including street lighting, roads, footways, cycleways, structures, drainage, street furniture, road markings, traffic signs and traffic signals.

14. Performance Measures

In addition to good practices (section 12 above) and risk based asset management approach (section 13 above), the Highways Asset Management team is committed to deliver best performance outcomes which can be clearly measured. The performance measures (PM) are listed in the table below.

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PM No	Performance Theme (Outcome)	PI Title	Indicator Outcome	Definitions	Methodology	Reporting Frequency	Unit	Formula	Target 2017 -2018	Target 2018 - 2019	Target 2019 -2020	Target 2020 -2021	Target 2021/22 onwards
1	Public and Workforce kept Safe	Reduction in Injuries	To demonstrate the effectiveness of the Contractor's safety culture and processes by monitoring the AFR, AIR and other safety related metrics.	<p>The following additional definitions support the calculation of this Performance Indicator:</p> <ul style="list-style-type: none"> - RIDDOR - Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 1995 (RIDDOR). The full definition of what is included with RIDDOR is available from the HSE's website - Recordable Incidents - Any incident that results in injury, ill-health, fatality, damage to property or equipment. - Environmental Incident - Any incident that causes environmental harm. - Service/Utility Strike - Any incident that caused damage or disruption to the provision of a 3rd party service e.g. water, energy, communications etc. - Near Miss - An incident that didn't lead to death, injury, ill-health or damage but which had the potential to do so. - Unsafe Act - An observation of a behaviour or activity of a person that deviates from normal accepted safe practice. - Unsafe Condition - An observation of a physical condition of the workplace which render it unsafe. - Staff - All staff involved in Contract operations. - Road Users - Any third party and/or member of the public who uses the public Highway and its associated structures. - Hours Worked - Total hours worked by staff per month, including breaks and lunch hours. The working hours of third parties and/or Road Users will not be monitored. - Employer Work Sites - Includes any part of the Network where Contract activities are being undertaken including work sites, offices, compounds and depots relating to the Contract. Include specific sites relating to framework and tendered schemes if overseen by Contractor. 	<p>This Performance Indicator will measure the Accident Frequency Rate (AFR) for injuries to Contractors (or Road Users, if known) that take place at sites within the Affected Property at which the Contractor is providing the service over a rolling 12 months compared to a baseline and apply a 5% year over year reduction.</p> <p>AFR - The Accident Frequency Rate is based on the total number of Contractor incidents and injuries at sites within the Affected Property under control and/or supervision of the Contractor per 100,000 hours worked over 12 consecutive reporting months.</p> <p>The baseline information must be provided during the mobilisation period and will be jointly agreed between the Contractor and the Employer prior to service commencement.</p> <p>The Contractor will also be expected to report on, but not be measured against, numbers of Near Misses/Safety Observations and Service/Utility Strikes.</p>	Monthly	%	<p>AFR</p> <p>A = Total Number of Recordable Injuries over 12 months</p> <p>B = Average number of hours worked over 12 months</p> <p>ARF = (A/ B) x 10,000 = Number of injuries per 10,000 hours worked</p>	A 5 % year over year reduction against baseline figure to be determined during mobilisation period.				
2	Reduced Disruption on the Network	Percentage of works complying with the TMA requirements	Ensure the Employer meets their Network Management Duty	<p>The Contractor is responsible for sending all Traffic Management Plans (TMP), Works activity Footprints (WAF's), TMAN Notifications, ETON Notifications (NRSWA and Permit Applications) to the relevant Highway Authority. Highway Authorities have powers under the TMA Act 2004 to issue fixed penalty notices to Promoters who commit offences. Failure to cooperate with the Act or Regulations may lead to charges imposed on the Contractor in line with the fines associated with the relevant legislation.</p>	<p>To measure the Contractor's effectiveness at complying with the TMA requirements and thereby ensuring the Employer meets their Network Management Duty</p> <p>The full methodology of this indicator will be developed during mobilisation and will not exceed the legislative requirements already in place</p>	Monthly	%	<p>For Example:</p> <p>A = Number of works complying with TMA requirements</p> <p>B = Total number of works undertaken</p> <p>SPI calculation = (A /B) x 100</p>	Target to be set by Strategic Board after obtaining baseline data during the first year				

3	Preventative Maintenance is Effective	Percentage Reactive Works completed on time	To demonstrate effective planning and programming of works.	Reactive Works - All Tasks instructed by the Employer through the Reactive Works contract.	<p>This indicator will review the number of Tasks under the contract that fall into the Reactive Works category and assess in terms of a percentage how many were completed on time.</p> <p>Extension of time will be permissible on this indicator if agreed by the Employer prior to the current agreed due date being exceeded.</p>	Monthly	%	<p>A = Total number of Reactive Works that were completed within agreed timescales in the reporting month.</p> <p>B = Total number of Revenue Works that were due to be completed in the reporting month.</p> <p>SPI Calculation = (A / B) x 100</p>	95% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.
4	Preventative Maintenance is Effective	Average number of days to repair Lighting Defects.	Well maintained lighting	<p>The following definitions support the calculation of this Performance Indicator:</p> <p>Contractual Timescales - The Contractor is required to rectify outages of road and sign lighting units caused by any defect(s) as described within the Contract references within 3 calendar days or 7 calendar days if a permit is required; unless otherwise specified or agreed by the Employer.</p> <p>Average number of days - The average number of days is calculated by using the following two elements:</p> <ol style="list-style-type: none"> 1. The total number of calendar days (attributable to the Contractor) for which all outages rectified in the reporting year were open (for each fault, number of days open should be calculated from point the fault was identified, irrespective of contract year). 2. The total number of calendar days that all lighting outages remaining open at the end of the reporting month have been open for (from point of fault identification to end of reporting month). <p>The sum of both the above is divided by the sum of the total of number of outages that were rectified year to date and the total number of lighting faults that remain open at the end of the reporting period.</p> <p>Permissible Exclusions - The Contractor will be allowed to put forward a request to exclude one or more open faults from the indicator where it is deemed that reasons beyond the Contractors control prevent rectification in a timely manner.</p> <p>DNO - Distribution Network Operator, the licensed operator of the electricity supply network in the area. Outages attributable to the DNO will be excluded (DNO - Distribution Network Operator, the licensed operator of the electricity supply network in the area).</p> <p>Included lights - The following should be included: highway lights, street lights mounted on other structures, e.g. buildings, utilities</p>	<p>At the end of each reporting period, the contractor will calculate the total number of calendar days that all outages were open for (addition of outages repaired duration and outages open duration for all faults) and divide by the total number of outages rectified and remaining open in the reporting month.</p> <p>The SPI will be calculated on a cumulative year to date basis.</p> <p>All outages agreed as 'Excluded' will not be included in the SPI calculation.</p>	Monthly	No	<p>For both Targets $N = (a + b) / c =$ Number of days a = total number of calendar days taken to rectify faults, contract start to date (applicable to all faults rectified year to date) b = total number of calendar days for faults remaining open, contract start to end of reporting month c = total number of faults rectified year to date and remaining open at the end of the reporting month.</p>	<p>SPI10a = 3 days SPI10b = 7 days</p>

				<p>poles etc. where the purpose of the light is to illuminate the street, lights in pedestrian subways, illuminated traffic signs, illuminated bollards, pedestrian crossing signs and school crossing beacons. The following should not be included: Tunnel and underpass lighting (specified assets), High mast lighting, Special event/celebrations/festive decorations.</p> <p>'Outage' - An outage means a included light that is not illuminated as planned, e.g. out of light, flickering, inadequate light output, late or early switch on etc. All outages should be included, even those as a result of vandalism, accidental damage, or failure of electricity supply including those owned and operated by the authority.</p> <p>Outages repaired duration - For lighting outages rectified during the period: From the time the Contractor detects the outage or is notified of the outage, whichever is the sooner, to the time the Contractor repairs the outage (i.e. put back into working order) or refers it to the DNO for rectification. Therefore, lights which are reported as out but are subsequently found to be out due to a DNO fault, their duration should be counted up until the outage is referred to DNO.</p> <p>Outages open duration - For lighting faults that remain open at the end of the reporting month: From the time the Contractor detects the outage or is notified of the outage, whichever is the sooner, to the of the end of the relevant reporting month, or to the time the Contractor referred it to the DNO for rectification.</p>					
5	Responsible Procurement	Percentage Construction and Demolition waste reused or recycled	Successful management of construction and demolition waste in order to reduce the use of raw materials, encourage recycling and reuse and minimise the waste taken to landfill sites to offer both environmental and economic benefits.	<p>The full definition and terminology used in this indicator is defined in Vol.2 Service Information (Common) Annex A 164AR. The following additional definitions support the calculation of this Performance Indicator:</p> <p>Construction & Demolition waste - Own waste generated from the construction, repair, maintenance & demolition of buildings, structures & roads.</p> <p>Recycle - Involves using waste to manufacture other products. Initiating material entering into a process where some or all of its properties can be reclaimed, reused, reconditioned, refurbished and/or manufactured. [Ref: Mayor's Responsible Procurement Code]</p> <p>Reuse - Involves multiple use of a product in its original form, with or without reconditioning, for its original or alternative purpose e.g. refilling plastic bottles or recharging batteries [Ref: Mayor's Responsible Procurement Code]</p>	<p>Percentage of tonnage of Construction and Demolition waste material reused and recycled based on the overall tonnage of waste material generated. (excavated and non - excavated materials). (See Clause 164AR Environmental Management of Series 100).</p> <p>The inverse value of this SPI is assumed to be the amount of construction and demolition excavated waste material sent to landfill.</p>	Quarterly	%	<p>A = Tonnage of Construction & Demolition waste material recycled</p> <p>B = Tonnage of Construction & Demolition waste material reused</p> <p>C = Total tonnage of Construction & Demolition waste material generated</p> <p>SPI Calculation = $(A+B) / C \times 100$</p>	95% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.

6	Responsible Procurement	Percentage recycled and/or green products procured	Reduce consumption of new resources by procuring recycled and green construction materials and following the principles of sustainable procurement	<p>The full definition and terminology used in this indicator is defined in Vol.2 Service Information (Common) Annex A 164AR. The following additional definitions support the calculation of this Performance Indicator:</p> <p>Green product - A product that is certified for its sustainable life-cycle properties, for example wood certified by Forest Stewardship Council (FSC)</p> <p>Recycled product - Product either consisting of 100% recycled material or that has recycled content</p>	<p>Total tonnage of recycled and/or green construction products procured expressed as a percentage of the total tonnage of construction material procured.</p> <p>The Contractor is expected to report the volume and value of material purchased, split by virgin and recycled/green totals per 'product' purchased.</p> <p>The Contractor should update and submit the SPI submission worksheet for SPI 14 on a quarterly basis.</p>	Quarterly	%	<p>A = Tonnage of Construction Material procured that is recycled or green in nature.</p> <p>B = Total tonnage of Construction Material procured</p> <p>SPI Calculation = $(A / B) \times 100$</p>	14% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.
7	Responsible Procurement	Percentage of Contractor vehicles which meet the required Euro Standards	Reducing the environmental impact of the vehicle fleet.	<p>The full definition and terminology used in this indicator is defined in Vol.2 Service Information (Common) Annex A 164AR. The following additional definitions support the calculation of this Performance Indicator:</p> <p>none</p>	<p>Total number of newly purchased or leased core fleet vehicles meeting specified Euro Emission standards and CO2 Emission Limits expressed as a percentage of the total number of core fleet vehicles.</p> <p>There are two elements to this indicator:</p> <p>SPI 15a: Euro Standards The total number of newly purchased or leased core fleet vehicles meeting specified Euro Emission standards expressed as a percentage of the total number of core fleet vehicles.</p> <p>SPI 15b: CO2 Emission Limits The total number of newly purchased or leased core fleet vehicles meeting specified CO2 Emission Limits expressed as a percentage of the total number of core fleet vehicles subject to CO2 Emission Limits.</p> <p>The final SPI is calculate as the mean average of SPI 15a and SPI15b.</p>	Quarterly	%	<p>A = Number of vehicles owned or leased which comply with the required Euro Standard</p> <p>B = Total number of vehicles owned or leased</p> <p>SPI Calculation = $(A / B) \times 100$</p>	100%

8	Scheme Delivery is Effective	Percentage Capital Works completed on time	To demonstrate effective planning and programming of works.	The full definition and terminology used in this indicator is defined in Vol.1 Schedule 7 Conformed Call-Off Conditions of Contract, sections 11 and 29 and in Vol.2 Service Information (Common) section 2 Services. The following additional definitions support the calculation of this Performance Indicator: Capital Works - All Tasks instructed by the Employer from their Capital budget This does not include works under Lump Sum. Physical Completion - When the Contractor has completed all the physical site works or services which the Task Order states and corrected notified Defects which would have prevented the Employer or Others from using the Task and Others from doing their work. For the purposes of the PPI this is taken as the Task Completion Date minus 14 days. Completion timescales - Revenue works, unless otherwise agreed by the Employer, have a default duration of 28 days to complete , starting from the date of instruction. On time - Any revenue works that has been completed before or on the agreed Task Completion date is deemed to be 'on time'.	This indicator will review the number of Tasks under the contract that fall into the Capital Works category and assess in terms of a percentage how many were completed on time. Extension of time will be permissible on this indicator if agreed by the Employer prior to the current agreed due date being exceeded.	Monthly	%	A = Total number of Scheme Task Orders completed on or before the programmed completion date over the last 12 months (or YTD in Year 1) B = Total number of Scheme Task Orders that were expected to have been completed over the last 12 months (or YTD in Year 1) PPI Calculation = (A / B) x 100	95%	96%	97%	98%	99%
9	Scheme Delivery is Effective	Percentage of Capital Works where defects were rectified within required time	Minimum impact on the customer after scheme completion.	The full definition and terminology used in this indicator is defined in Vol.1 Schedule 7 Conformed Call-Off Conditions of Contract, sections 11, 29, 40-43 and in Vol.2 Service Information (Common) section 2.4.5 Reactive works and schemes - general. The following additional definitions support the calculation of this Performance Indicator: Completion on time - Achievement of rectifying notified defects on or before the Defect Correction Period.	Report the percentage of Scheme Task Orders where any Defects identified prior to or at Completion have been corrected within the Defect Correction Period, this should also include Scheme Task Orders where zero defects were notified.	Monthly	%	A = Total number of capital works YTD where all Defects notified before or at Completion have been rectified within the Defect Correction Period or are agreed Defect free at Completion B = Total number of capital works YTD that have passed their Defect Correction Period, or are agreed Defect free at Completion. SPI Calculation = (A / B) x 100	98% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.				

<p>10</p>	<p>Scheme Delivery is Effective</p>	<p>Percentage of acceptable H&S files received within 14 days of physical completion of a Notifiable Scheme Task.</p>	<p>Enable the Employer to fulfil its legislative requirement under CDM Regulations 2007.</p>	<p>The full definition and terminology used in this indicator is defined in Vol.2 Service Information (Common) Annex A 124AR. The following additional definitions support the calculation of this Performance Indicator:</p> <p>Health & Safety File - The health and safety file contains the information needed to allow future construction work, including cleaning, maintenance, alterations, refurbishment and demolition to be carried out safely. Information in the file should alert those carrying out such work to risks, and should help them to decide how to work safely. Information on duties, file content and storage requirements are found within the CDM ACOP.</p> <p>Health & Safety File submission timeframe - The LoHAC Framework allows the Contractor 14 days from the Task Completion Date to update the H&S File.</p> <p>Notifiable - Any Scheme Task lasting more than 30 days or involving more than 500 person days of construction work.</p> <p>Acceptable Quality - The Contractor must update the H&S File information that is of acceptable quality. Acceptance or rejection of the H&S file information will be confirmed back to the LoHAC by TfL's CDM-C within 2 weeks of receipt.</p> <p>Additional Legislative References: - Construction (Design and Management) Regulations 2007 (CDM) - Managing health and safety in construction Approved Code of Practice (CDM ACOP)</p>	<p>To report the number of schemes where the H&S file information of acceptable quality is submitted within 14 days of the Task Completion Date.</p> <p>This will be monitored as the number of notifiable schemes where the H&S file information was received within 14 days and subsequently accepted, as a percentage of the total number of H&S files due to be submitted in the reporting month.</p> <p>Note: If the H&S file is submitted within 14 days and confirmation of acceptance / rejection is not provided by TfL within the 2 week period following submission, for purposes of the SPI the H&S file will be deemed to have been accepted. However it may later be rejected and require re-submission – this will not affect future SPI scores.</p>	<p>Monthly</p>	<p>%</p>	<p>A = Total No. of Schemes where the H&S file submission has fallen due and the subsequent TfL acceptance / rejection period has lapsed (i.e. Scheme Task Completion Date + 28 days) and falls within current reporting year</p> <p>B = Total No. of Schemes where the H&S file information was submitted within 14 days of the Task Completion Date and was accepted within further 2 weeks (accepted)</p> <p>C = Total No. of Schemes where the H&S file information was submitted within 14 days of the Task Completion Date and acceptance / rejection was not communicated to LoHAC within the further 2 weeks (deemed as accepted for purposes of SPI) = 5</p> <p>∴ SPI 17 = $((B+C)/A)*100$</p>	<p>100% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.</p>
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11	Satisfied Residents	Customer Satisfaction	To demonstrate the satisfaction of the residents with the service	<p>The Transportation & Highways service will commission the National Highways and Transportation (NHT) resident survey on annual basis in order to understand the requirements of the local residents and to drive the improvement of the service by implementation of the residents' feedback. The survey will assess the satisfaction with:</p> <ul style="list-style-type: none"> - Pre-start information about the works - Did the work start on time - The quality of the work carried out 	<p>A postal survey, run annually; Uses standard questions to allow comparison between participating authorities; Controlled by a Steering Group of authorities, co-ordinated by the NHT Administrator, measure2improve (m2i), and conducted by leading market research company Ipsos MORI; Covers all Highway & Transport services; Sent to a random sample of residents, selected by Ipsos MORI, in each Authority area; Public responses processed by Ipsos MORI and loaded into the NHT Survey web site for analysis by m2i; Results published via this web site – including authority specific dashboards, maps, graphs and tabular reports</p>	Annually	%	Ipsos MORI and measure2improve analysis (http://www.nhtnetwork.org/nht-public-satisfaction-survey)	80%	85%	90%	93%	95%
11	Contract Requirements fulfilled	Percentage of Task Orders where the final account was submitted on time	Timely and efficient processing of financial payments upon completion of all Task Orders.	<p>The full definition and terminology used in this indicator is defined in Vol.1 Schedule 7 Conformed Call-Off Conditions of Contract, sections 11 and 29 and in Vol.2 Service Information (Common) section 2.0.5 Reactive works and schemes - general. The following additional definitions support the calculation of this Performance Indicator:</p> <p>Physical Completion - When the Contractor has done all the work or services which the Task Order states he is to do and corrected notified Defects which would have prevented the Employer or Others from using the Task and Others from doing their work. For simplicity this is taken as the Task Completion Date minus 14 days.</p> <p>Capital Works - All Tasks instructed by the Employer from their Capital budget . This does not include works under Lump Sum</p> <p>Revenue Works - All Tasks instructed by the Employer from their Revenue budget This does not include works under Lump Sum.</p> <p>Final Account due date - The Final Account due date is 6 weeks after the Task Completion Date (i.e. for simplicity 8 weeks after the Physical Completion Date). The Employer may grant at his absolute discretion, due to exceptional circumstances, an extension of time to submit the final account.</p>	<p>Report the number of Final Accounts for Task Orders that were submitted within 12 weeks of the Task Completion Date or as otherwise agreed vs. the number of Final Accounts for Task Orders that were due to be submitted within 6 weeks of the Task Completion Date or as otherwise agreed within the reporting period.</p> <p>This PPI will be split by Revenue and Capital Tasks and the total PPI score will be an equally weighted average of the two elements.</p>	Monthly	%	<p>A = Total number of On Time Final Account Applications that have been submitted.</p> <p>B = Total number of Task Orders for which Task Completion has been certified.</p> <p>PPI calculation = $A / B \times 100$</p>	95%	96%	97%	98%	99%

12	Contract Requirements fulfilled	Percentage of Task Responses within the required timescales	Ensure timely and efficient processing of instructed works.	<p>The full definition and terminology used in this indicator is defined in Vol.1 Schedule 7 Conformed Call-Off Conditions of Contract, sections 11 and 29 and in Vol.2 Service Information (Common) section 2.0.5 Reactive works and schemes - general. The following additional definitions support the calculation of this Performance Indicator:</p> <p>Accepted - The Service Manager will assess whether they have been provided with all the information required in the Task Request to enable them to make a decision regarding issuing a Task Order. Where the Contractor is instructed to submit a revised Task Response on the terms of the original Task Request, the Task Response is deemed not accepted. If acceptance or rejection is not communicated back to the Contractor by the Service manager then for the purposes of the SPI only the Task Response is deemed Accepted.</p> <p>Number of late Task Responses - The number of Task Responses that have not been delivered or within the Task Response Time or other agreed timeframe.</p> <p>Number of rejected Task Responses - The number of Task Responses that have been delivered but rejected within the Task Response Time or other agreed timeframe.</p> <p>Number of Task Responses Due - The total number of Task Responses that were due to be returned to the Service Manager within the reporting period.</p>	To report the number of Minor or Scheme Task Responses received and accepted within Task Response Time or other agreed date by monitoring Task Responses that were rejected or received and late or are still outstanding as a percentage of the number of Task Responses that are due.	Monthly	%	<p>A = Number of Task Responses submitted to the Employer within the required timescales B = Total number of Task Responses submitted</p> <p>SPI Calculation = $(A / B) \times 100$</p>	95% for first year. Target for future years to be agreed with the Employer and ratified by the Area Board.
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15. Supporting Documentation

The Asset Management Strategy refers to, and is linked to a number of key documents, as listed below, that combined allow for the asset management approach to be implemented and support the delivery of the desired level of service. These include documents in the table below:

National	Thurrock Council
UKRLG Codes of Practice	LTP
CIPFA Financial Reporting Code	Council Plan
PAS 55	Corporate Strategy
CSS Framework for Highway Asset Management	Highway Asset Management Policy
Maintaining a Vital Asset	Highway Maintenance Policy
HMEP Highway Infrastructure Asset management- Guidance Document	Winter Service Policy and Plan
HMEP A LEAN Toolkit for Highway Services	

16. Review Process

This strategy will be updated annually with minor amendments and reviewed on a three yearly basis by the Highway Asset Management Team.

Highways Asset Management Policy

2016

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Document Control

Author/ title	Julie Nelder – Highways Infrastructure Manager
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Date Authorised	
Signature	

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1. Introduction

It is recognised that good transport links are essential for a successful economy and society for Thurrock. Our highway network provides access to jobs, services, schools, aids delivery of goods to the various stores and allows us to make the most of our free time. Our local roads are at the heart of the transport network and have a key role to play in ensuring that transport in Thurrock delivers the services our communities require. A well maintained highway network is imperative for the future economic regeneration and growth of Thurrock.

In order for the transport network to meet these requirements, this policy for Highway Asset Management addresses the Council's key outcomes, and the challenges identified in the Council's Transport Strategy. These challenges are designed to address our economic, social and environmental priorities and are explicitly geared towards growth and regeneration as well as enhancing the local environment, the health and wellbeing of our residents and helping to meet our environmental commitments.

As a Highway Authority, we have a duty to act as stewards and custodians of the highway infrastructure assets. We must ensure they are fit for purpose and maintained with consideration to whole life costs, whilst taking associated risks into account and aligned to our corporate objectives. This policy has been created to give guidance and direction to this process.

2. Objectives

2.1. Value for Money

Thurrock Council intends to take a long term view on investment decisions. This approach will maximise the benefits for future prosperity and quality of place by ensuring the right investment decisions are made in our transport network.

We fully recognise the vital role transport has to play in Thurrock's economic vitality. For the long term health of the local economy growth has to be sustainable. Growth aspirations will rely on effective transport links to enable employees and visitors to access new homes and workplaces.

2.2. Looking Ahead

By ensuring a clear understanding of current and future requirements for the highway infrastructure, we will promote levels of service and maintenance priorities for our local transport network that are consistent with our stakeholders needs.

As well as providing links to workplaces there is a need to transport people to training and education sites where they can learn and up skill to meet the needs of new emerging local industries.

Social exclusion is a significant issue, particularly among the elderly. Providing access for all at an affordable rate to education, healthcare, employment, leisure and social opportunities enables people to make the most of life, supporting stronger communities.

2.3. Investment

Through taking a long term view in making informed maintenance and investment decisions relating to our local transport network, Thurrock Council's investment decisions will be prioritised against safety, serviceability, sustainability and accessibility.

The challenge for transport is to support the improvement of the local area and contribute to the improved health and well-being of local people. Delivering economic growth in parallel with guarding and enhancing the environment is an important part of building a sustainable economy. Thurrock must enhance its natural assets, guard against environmental degradation and reduce its dependence upon fossil fuels in order to make it an attractive place to live, invest, work and visit.

3. Achieving Objectives

We aim to achieve these targets by implementing Asset Management principles to the highway infrastructure assets. Whilst taking whole life cost, risk management, demand analysis, optimisation, performance monitoring and annual reviews into account. We aim to replace critical assets at their economic optimal period in their life cycle, identifying key levels of service, carry out continuous performance reviews and provide feedback to our stakeholders. In addition to this we will actively seek out opportunities to increase our maintenance allocation by encouraging innovative measures to improve the efficiency of our services.

Going forward we will manage and regularly update the Asset Management Policy and the Assets Management Strategy, making sure these documents are aligned to our corporate objectives and current recommendations from: PAS 55 from the Institute of Asset Management, Highway Maintenance Efficiency Programme (HMEP) Infrastructure Asset Management Guidance, the Chartered Institute of Public Finance & Accountancy (CIPFA) Code of Practice on Infrastructure Assets 2013.

Highways Asset Management
Communication Strategy

2016

Document Control

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1. Introduction & Background

Thurrock Council is committed to ensuring effective communication takes place throughout its service areas. Effective communication safeguards and improves the reputation of the service and ensures that Councillors and Officers present themselves well to customers and key stakeholders.

By engaging in communication with our customers and stakeholders, we will ensure that the thoughts, ideas, and concerns they generate are given due diligence when planning how our service operates and will influence the decisions that we take.

By adopting a communication strategy, the Transportation and Highway service area will be able to demonstrate and report to its customers and stakeholders how it:

- sets the Levels of Service;
- reports on performance and value for money; and
- allows interaction on key decisions that affect transport and infrastructure within the borough.

The purpose of this Highway Asset Management Communications Strategy is to set out how the Transportation and Highways Service will communicate and with whom.

In setting out this Strategy, particular emphasis has been placed on the requirements of the HMEP Highway Infrastructure Asset Management Guidance document, specifically Paragraph 3 on National and Local Transport Policy – 3.3 Stakeholder Expectations, and 3.4 Communications; and Paragraph 7 Setting and Measuring Performance.

In addition, Recommendation 2 “Relevant information associated with asset management should be communicated through engagement with relevant stakeholders in setting Levels of Service, making decisions and reporting performance”.

Changing and improving the way in which we engage and communicate will contribute towards the modernisation of the Transportation and Highways Service, of which effective communication and stakeholder engagement is key.

2. Aims & Objectives

To promote and undertake consultation with customers and key stakeholders on the following:

- Policies and actions that may affect stakeholders / public expectations
- Major funding decisions
- Milestones in key projects
- Major and Minor road safety, and environmental improvement schemes
- Public Transport / and network improvements and changes
- Incidents or street works that may affect the reliability of journeys.

- Any anticipated sustained disruption to the road network or the service.
- Roadworks and highway maintenance programmes.
- Satisfaction surveys such as the Councils Voice-Over Panel and National NHT Survey – use the opportunity to gauge public opinion that demonstrates the overall satisfaction with the service area, with the overall aim of improving services. To establish local views from the surveys undertaken.
- Use a variety of different ways to communicate with local communities, local businesses, and other key stakeholders e.g. social media, leaflets, advertisements, focus groups, Web Site surveys, and general media such as newspapers and television programmes to ensure a wide and broad-base coverage, and effective engagement.
- To ensure that customers and stakeholders are engaged at various stages in our processes to aid their understanding of the service area.
- To minimise the impact of localism, where customers and stakeholders maintenance priorities and preferences can differ from the best asset management approach.
- To ensure that the asset management approach is understood and communicated, explaining the balance between reactive repairs, preventative maintenance and structural repairs.
- To understand the needs and expectations of customers and key stakeholders.
- To understand the levels of satisfaction with the services provided and individual projects carried out.
- To provide clarity and transparency in how decisions are made.
- To provide good quality information on what can be expected from the service area.
- To ensure that customers can report service requests and complaints and that these are communicated effectively to a resolution that best serves the community and is within what the service area is capable of providing.
- We aim to promote the services that Transport and Infrastructure provide and also to consult with customers and stakeholders to help measure and monitor customer satisfaction.

3. Customers & Stakeholder

Thurrock Council recognises that our stakeholders span across a diverse representative group that invariably have different needs and priorities.

Engagement / consultation will be undertaken with selected stakeholders as appropriate and according to the nature and topic of the matter in hand. For example, policies, programmes and key decisions relating to the way in which the Service operates will go to a wider stakeholder audience whereas consultations relating to schemes within an agreed programme, for instance, will be kept to those stakeholders directly affected by that particular scheme. The key stakeholders and their engagement is outline in section 3.1, below.

3.1. Stakeholders Engagement

This communication strategy contains a description of the means and frequency of communication to parties both internal and external to the Service. It facilitates engagement with stakeholders through the establishment of a controlled and bi-directional flow of information.

The key stakeholders were identified and grouped in the tables below:

Table 1. Internal Stakeholders

Interested Parties / Thurrock	Who/what they influence or Responsibility	Means/ format of communication	Frequency	Information provider
Council / Cabinet Members	Ultimate decision making at the Council	Council / Cabinet meeting - Reports	Forward Plan	Head of Service
Leader	TGSE Minister & decision making	Meetings / Emails	When required	Director / Head of Service
Portfolio Holder	Responsible for portfolio – decision making	Meetings / Emails	When required	Director / Head of Service / Service Area Managers
Lyn Carpenter	Chief Exec – decision making	Meetings / Emails	When required	Director / Head of Service
Steve Cox	Director – decision making	Meetings / Emails	When required	Head of Service / Service Area Managers
Ann Osola	Head of Service – decision making	Meetings / Emails	When required	As required
Sean Clark (s151 Officer)	Financial decision making	Meetings / Emails	When required	Head of Service / Service Area Managers
Finance	Finance advice	Meetings / Emails	When required	As required
Legal	Legal advice	Meetings / Emails	When required	As required
Procurement	Procurement advice	Meetings / Emails	When required	As required
Diversity & Equality	D&E advice	Meetings / Emails	When required	As required
Planning & Growth team	Planning permissions	Meetings / Emails	When required	As required
HR	HR advice	Meetings / Emails	When required	As required
Management	Connection between corporate/service	Meetings/ Emails/ PDRs	When required	Director / Head of Service

	strategies and service delivery			
Staff members	Delivery of Service	Staff meetings/ Emails/ Training sessions/ PDR	When required	Director / Head of Service / Service Area Managers/ Line Managers

Table 2. External Stakeholders

Interested Parties / External	Who/what they influence or Responsibility	Means/ format of communication	Frequency	Information provider
TGSE Minister	Civil Servants Ministers / Decision makers	Meetings / Emails	TGSE schedule	Director / Head of Service
TGSE Partners	TGSE's priorities	Meetings / Emails	TGSE schedule	Director / Head of Service
SELEP Chair	LEP's priorities	Meetings / Emails	SELEP schedule	Director / Head of Service
SELEP Director	LEP's priorities	Meetings / Emails	SELEP schedule	Director / Head of Service
ITE	LEP's decision making	Meetings / Emails - Business Case	Gateway schedule	Director / Head of Service / Service Area Manager
DfT / ORR / H.England	Regulators / Decision makers	Meetings / Emails	When required	Director / Head of Service
Environment Agency	Regulators / Decision makers	Meetings / Emails	When required	Director / Head of Service
DPW	Prime Minister/ Decision makers	Meetings / Emails	Scheduled meetings	Director / Head of Service / Finance Officer
Great London Authority (Mayor)	Prime Minister/ Decision makers	Meeting	Scheduled meetings	Director / Head of Service
Thames Oil Park	Prime Minister/ Decision makers	Meetings / Emails	Scheduled meetings	Director / Head of Service / Finance Officer
British Airways	Prime Minister/ Decision makers	Meetings / Emails	Scheduled meetings	Director / Head of Service
Charles Maybe – Director of Port	Prime Minister/ Decision makers	Meetings / Emails	Scheduled meetings	Director / Head of Service / Finance Officer
Business Community	Decision makers	Meetings / Fora	Fora schedule	Director / Head of Service
Residents of Thurrock	Decision makers	Meetings/ Public Consultations /	When required	As required

		Focus Groups		
Community Forums	Decision makers	Meetings / Fora	Fora schedule	Director / Head of Service

Table 3. Suppliers & Partners

Interested Parties / Suppliers	Who/what they influence or Responsibility	Means/ format of communication	Frequency	Information provider
Symology	Asset Management system & valuation / WGA	Account meetings	Quarterly	Highways Infrastructure Manager
		Email/ phone calls	Weekly	As required
		Implementation meetings	When required	As required
Horizons	Decision making software	Emails / Meetings	When required	As required
Consultant	Professional / project / technical expertise	Emails / Meetings	When required	As required
Contractors	Ad-hoc/ planned / construction work	Emails / Meetings	When required	As required
Utility companies	Stats	Emails / Meetings	When required	As required
Emergency Services	Emergencies	Emails / Meetings	When required	Staff Members / Management
EHA (Eastern Highways Alliance)	Inter-authority collaboration	Emails / Meetings	Scheduled meetings	Head of Service / Management
Neighbouring Authorities	Inter-authority collaboration	Emails / Meetings	Scheduled meetings	Head of Service / Management
Network Rail / C2C	GRIP process	Meetings / Emails	Scheduled meetings	Director / Head of Service

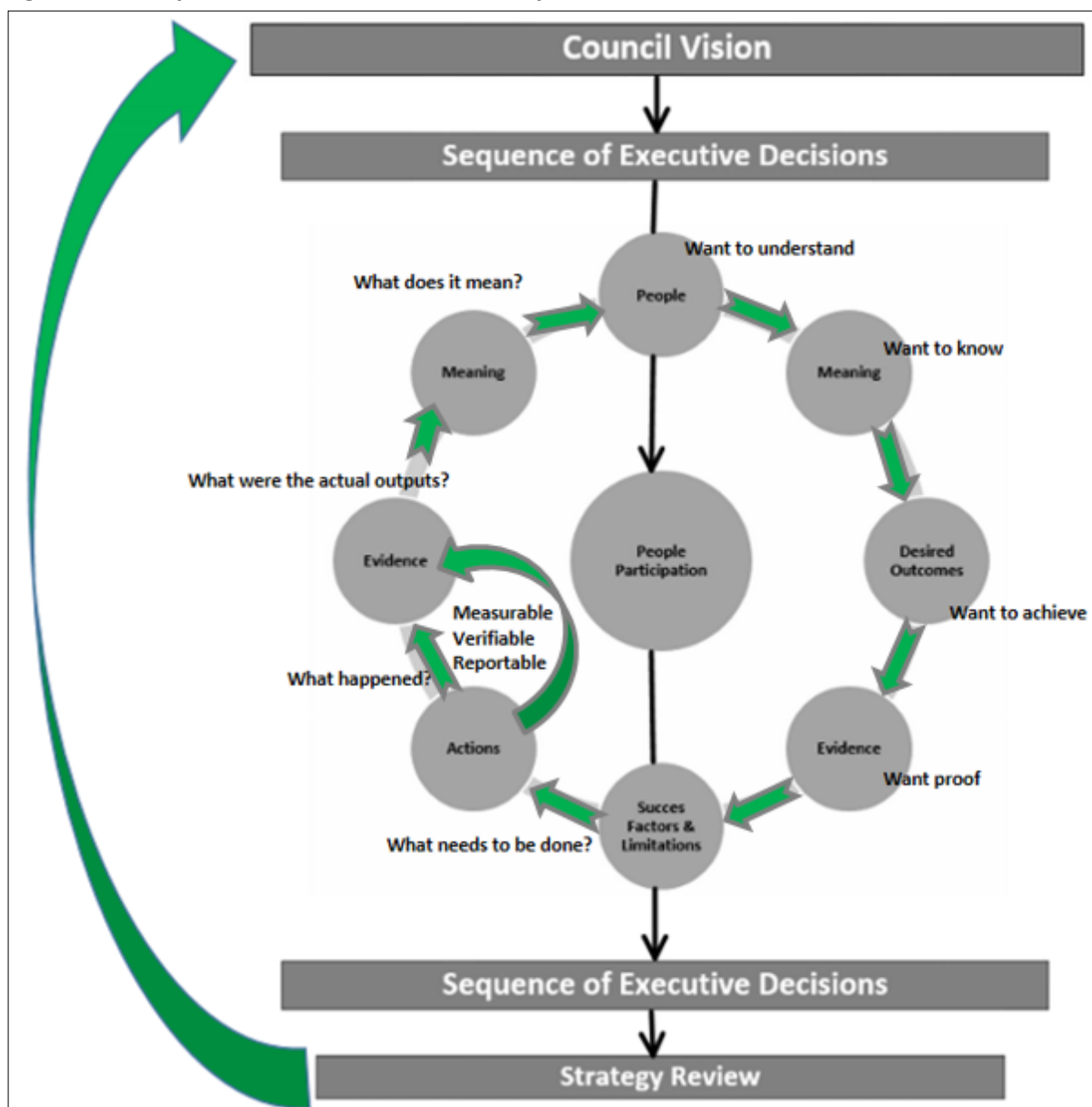
4. Public Participation Framework

The public consultation is a very important ingredient of Transportation and Highways service delivery which ensures the customer satisfaction and their participation in the decision making process.

Figure 1 below illustrates the holistic iterative policy / decision making process. The Council's vision initiates the course and runs through the sequence of the executive decisions which, in first instance, endorse a public engagement. The local residents' participation is a nested iterative decision making process which ensures the capturing of the public feedback in form of lessons learnt and their implementation in the continuous improvement process. In addition, the procedure aims at the development

of an evidence based and also a meaning based policies.

Figure 1. Participation Framework – continuous process



It is important to add that the consultation / participation excludes decisions which are already part of legislation, the Transportation and Highways is committed to fulfilling their statutory duties and adhering to the engineering design standards, which are also based on laws of physics/ nature, to ensure safety and security of the local people.

5. Communication Methods

All communications issued by the Council will conform to the Governments Code of Recommended Practice on Local Authority Publicity (made under the Local Government Act 2000). This code covers the content and style of publicity, dissemination,

advertising, and promotion.

Methods of communication will include: press notices; newspaper advertising; local and national surveys; community forums; business forums and focus groups; social media; newsletters, leaflets, brochures; direct written letters and telephone calls.

Below are our key principles:

- The Councils communications team will be the main / first point of contact between the media and the Council
- We will be proactive and encourage promotion of our services through media, and other facilities (where appropriate)
- Employees will be encouraged to take part in two-way communication with key stakeholders when forming decisions which affect them
- In-line with the Councils Media Protocol we will not publish materials that appears to be designed to affect public support for a political party. Press releases will be, where appropriate, attributed to the Mayor or relevant Executive Member, to emphasise the elected members' accountability to the electorate and the importance that the Council places on the issue
- Extreme care will be taken during the period of Purdah (particular restriction that applies to publicity issued by the council following the call for elections) to ensure that the restrictions and laws surrounding local government publicity are not breached
- Use of social media will be used where appropriate and in accordance with the Councils existing Social Media Policy. Incidents on the highway that affect journey routes and times will be informed via Twitter.
- We will ensure that the information we supply will be clear to users and the content will be identified as coming from and for the purposes of the Council.
- We will safeguard children, young people, and vulnerable adults, by ensuring appropriate permission has been obtained prior to using any photographs, video clips, or comments including children, young people, and vulnerable adults – to comply with the Councils safeguarding principles.
- Employees will be made aware that by uploading comments to social media sites; it is likely that they are agreeing to be bound by its terms. This can affect rights to material and make the Council liable to the site.

6. Time Constraints

This document will be reviewed and updated annually in order that it will remain appropriate to good service delivery and public / stakeholder expectation.

7. Budget

The Council has not allocated a specific budget for its communications however, communication activities will continue within current budget levels, and will be incorporated into schemes and processes as we are able.

8. Key Contacts

- Ann Osola – Head of Service of Transportation and Highways
- Les Burns - Chief Highways Engineer
- Julie Nelder – Highways Infrastructure Manager
- John Devono – Principal Projects Engineer
- Peter Wright – Principal Maintenance Engineer
- Barry Rainger – Network Manager
- Ayesha Basit – Principal Projects Engineer

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**Position in Relation to HMEP Guidance on the
Management of Highway Drainage Assets**

2016

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1. Introduction

The Highways Maintenance Efficiency Programme (HMEP) has issued The Highways Drainage Assets Guidance, which showcases current good practice, tools and techniques to manage and maintain drainage assets to prevent localised flooding.

1.1 Why the management of highways drainage assets is needed

Severe flooding events in recent years are a reminder of the risks posed by flooding, not only to residential and commercial properties, but also to the strategic infrastructure managed by local highway authorities. The increasing impact and frequency of severe weather events, particularly flooding, causes major disruption and damage to the highway network.

The HMEP Management of Highways Drainage Assets Guidance aims to help local highway authorities to plan the most cost effective approach to managing and maintaining their drainage assets and highlights three main themes:

- Defining the asset - having better drainage inventory data
- Service delivery, based on the application of asset management principles to deliver a cost effective long term approach
- People and partnerships

1.2 Purpose

The purpose of this document is to outline Thurrock Council's current position in relation to the report and its recommendations and following this assess any future improvements required in order for Thurrock Council to comply in full.

Alongside each theme, HMEP has provided a number of recommendations, listed in order of priority. These recommendations are shown under each theme in bold, below which is Thurrock Council's current position in relation to it.

2. Defining the Asset

Understanding evolving duties and responsibilities - Recommendation 2

New regulations bring new obligations. These evolving responsibilities will have an effect on budgets and operations. Understand and adapt to these changes.

In 2013 Thurrock Council appointed a dedicated Flood Risk Manager within the Transportation service to deliver the responsibilities arising from the Flood and Water Management Act, 2010 (FWMA). Having an officer embedded in the Transportation and Highways Service has facilitated improvements to the management of the highways flooding and drainage responsibilities, such as closer partnership working with other risk management authorities; better management of asset data, and improved processes for responding to flooding incidents.

The Lead Local Flood Authority (LLFA) budget available to the Council to meet its new obligations has not only been used to develop processes and procedures for flood risk management, but also to investigate and tackle drainage and flooding problems shared by the risk management authorities. For example, through closer partnership working, the authority has been able to get a better understanding of flooding mechanisms affecting Tilbury town through the development of an integrated urban drainage model. This involved the sharing of asset data, flooding reports and local knowledge about drainage systems. The results of the modelling have identified improvements to the drainage network that will help reduce the risk of flooding in the town and funding bids are now being developed to implement the solutions identified.

Data Use - Recommendation 6

Use highway drainage asset data to focus, support and inform maintenance activities. These should be linked to the overall asset management objectives for local highways.

Significant progress has been made in improving drainage asset intelligence; data has been captured through both flood investigations and development of the flood asset register.

To determine the causes of flooding incidents asset data has been collected as part of Section 19 flood investigations. This information has been effective in targeting maintenance activities at known flooding hot-spots, so that resource can be targeted for preventative maintenance when storms have been forecast, such as the clearance of trash screens which are prone to blockage.

Further integration of the flood asset register with the highway's Symology system are underway with the aim to have all drainage assets uploaded. The Transport Development Control team are also ensuring that any records of adopted drainage infrastructure are included on the register and any major infrastructure projects are required to upload as-built drawings.

Fourteen Areas of Critical Drainage (AoCD) have been dedicated in the Council's Local Flood Risk Management Strategy as being either of highest risk of flooding or had a significant history of flooding incidents. In developing the Strategy a number of policies arose, including targeting of maintenance activities in local flood risk zones, opportunities for capital drainage measures as well as tightened drainage requirements for new developments in these areas. The service is currently working on implementing these policies and has been successful in negotiating betterment in local drainage through new development. For example in a recent development in Grays (Evolve, Gumley Road) the Council had an existing soakaway drainage system that was prone to siltation and blockage. In order to facilitate drainage of the development, the Department sought improvement to this system through the provision of a drainage pond providing habitat and amenity benefit to the local area, as well as reducing the ongoing maintenance burden through the removal of silts and pollutants before discharge to the existing soakaways. Additionally the Council has negotiated a 60 year commuted sum payment from the developer for its ongoing maintenance.



Figure 1: Drainage Pond at Gumley Road

Selection of highway drainage asset survey equipment - Recommendation 3

Before selecting equipment, have a detailed equipment requirement specification and evaluation check-list to ensure that equipment being trialled is done in an objective and consistent manner. Allow sufficient time for the trial. Ensure mobile GPS software complies with the latest National Marine Electronics Association (NMEA) protocols.

Thurrock Council currently employs the use of mobile GPS software used to record and provide works orders for highway defects, which includes blocked gullies etc. This hardware is fully compliant with NMEA protocols and has been rigorously trialled and tested to ensure the equipment can assist competent inspectors in the defect identification process. This software can also be used to update asset data upon inspection, but is not currently used as a viable method for a whole network survey.

All asset data collection is undertaken by competent surveying companies with relevant professional accreditation. Additionally, the surveyors selected are assessed according to their track record of delivering similar asset data collection schemes elsewhere for public bodies.

Involvement of colleagues in selecting technology - Recommendation 4

Understand your authority's information technology procurement processes, purchasing documentation requirements and get the appropriate council staff (finance, IT GIS etc.) involved early on.

We will ensure that all staff are fully conversant with Council procurement processes, through team meetings and training where appropriate.

3. Service Delivery

Understanding demand and service delivery requirements - Recommendation 9

Develop a clear understanding of the demand or service delivery level for the drainage asset, as this will clarify and focus activities and budgets to deliver efficient and effective service.

The Council currently tackle gully maintenance according to a schedule of roads, whereby the Borough is split into a number of areas with the aim of cleansing all gullies on an annual basis. The system currently works well in addressing any identified issues with the asset as any blockages or broken lines identified by the gully crew are fed back to the engineer through the 'daily whereabouts sheet' for subsequent further investigation and attention. Unfortunately however, with the availability of resource and prevalence of parking over pots it is unrealistic to be able to clean all the gullies across the Borough on an annual basis and is not necessarily making the best use of the limited resources. To address this, the Department is developing a more risk based approach to gully cleansing.

A requirement of the Flood Risk Regulations was the collation of all flooding reports across the Borough. This required receipt of flood incident reporting from Partners such as the Environment Agency, Anglian Water and Essex Fire and Rescue as well as internally from the Council's own customer record management systems (Housing, Highways and Public Protection teams). Through this process the Transportation and Highways Service could understand the frequency and spatial distribution of the flood reporting to determine 'hot spots'. This flood reporting was augmented by updated flood modelling outputs to determine where flooding was predicted to occur in a severe storm situation as well 'daily whereabouts' sheets from the gully emptier. These datasets are being used to inform an update to the drainage maintenance process with the intention to develop a more risk based approach to managing drainage in areas known to have flooded or are predicted to flood in the future.

Solutions - Recommendation 12

Do not let the management tool become more important than the job deliverables and recommend simple solutions that do not require a great deal of maintenance or administration.

Whilst the Council has been working hard to improve its knowledge of the Borough's drainage assets and develop a new policy for proactive maintenance it has not lost sight of the importance of addressing emergency situations swiftly and appropriately. For

example, in the winter of 2013 the Department responded to a flash flood affecting a number of properties. The Service was swift to react, and mobilised the gully tanker to assist in pumping out of water as well as the installation of a temporary flood wall to divert waters away from the affected properties. Actions arising from a subsequent flooding investigation saw the introduction of additional highway drainage and upsizing of a culvert. This was combined with collaboration with riparian owners to undertake ditch maintenance and also the installation of a permanent flood wall to protect properties in extreme storm situations.



Figure 2: Emergency pumping of flood water

Effective use of limited budgets - Recommendation 1

Adopt highway drainage asset management strategies based on information held.

Revised Thurrock Council processes will include a review of when gullies are cleaned, and high risk sites will be listed for attention to mitigate risk of flood.

Resourcing - Recommendation 11

Allocate resources and funds to routes, sections, or specific areas or assets where most needed. Monitor the maintenance of these assets and require contractors to provide details of the condition of assets; for example, gully cleansing records that details the location of the asset and amount of material removed.

Our process of routine gully maintenance is under review. A more robust process will be set and managed accordingly. This will include reports of problems and further works

needed. The information collated as a result of the feedback received will help form the capital programme for drainage repairs.

Data Integration - Recommendation 5

Link systems to maintenance activities, focus future activities and map 'hotspots'. Address the causes of problems as opposed to symptoms.

The Transportation and Highways Service is in the process of updating its drainage maintenance strategy to take a more risk based approach to its gulley cleansing programme. The Council has mapped information on flooding reports, gulley cleansing returns and predicted flood risk areas and will be using this information to determine a future programme.

4. People and Partnerships

Use peoples knowledge - Recommendation 10

In many cases the organisation's employees are the best source of asset management information. Ensure local knowledge of drainage assets held by long service experienced staff is captured and incorporated into data records.

The Council is fortunate to retain a number of long service experienced highway maintenance officers who hold a lot of knowledge of the Borough's drainage assets. In developing the Flood asset register the Department has sought to extract as much of this information as possible by involving these staff in the asset data collection and verification. This process is ongoing as further paper records are digitised and require validation.

Data Sharing - Recommendation 8

Drainage data must be transferable between owners and stakeholders who understand its value and make use of it.

The Council has entered a data sharing agreement with Anglian Water to share drainage asset data. Also through the development of integrated urban drainage models for Tilbury and Stanford le Hope the authority has signed up to sharing the outputs of modelling to improve collective understanding of flood risk in these areas. The Council's flood asset register is also publically available to enable riparian owners and the public to understand responsibilities for drainage infrastructure across the Borough.

The importance of timely data sharing was exemplified recently when a diesel spill occurred on the A13 Manorway Roundabout. The incident was initially responded to by Essex Fire and Rescue who subsequently notified the Environment Agency of the risk of contamination to the Hassen Brook. The EA contacted the Council's highway department for information on the drainage system on the roundabout to determine where the system could be isolated to reduce the risk of further pollution. The

information was readily available through the flood asset register and was supplied by return.

Partnerships - Recommendation 7

Form partnerships with all relevant bodies, such as the Environment Agency and water companies, to address water management issues and to cooperate in service delivery and information sharing.

The Thurrock Flood Partnership was set up in 2014, as a central point where flood risk issues in Thurrock are reviewed and appropriate action agreed. The Partnership is made up of representatives from Council departments as well as key stakeholders such as the Environment Agency, Essex Fire and Rescue, Anglian Water and neighbouring LLFAs. The Partnership meets twice a year with the aim of ensuring a long-term sustainable approach to flood management in Thurrock, ensuring appropriate accountability and co-ordination between relevant stakeholders.

The Council has representation on the Essex County Council Flood Board as well as the Regional Flood and Coastal Committee and so has excellent oversight of all flood risk matters in and beyond the Borough.

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Position in Relation to the 2012 HMEP Potholes Review:
Prevention and a Better Cure

2016

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1. Introduction

In April 2011 the Parliamentary Under-Secretary of State for Transport announced a review into the issue of potholes. A progress report was published in December 2011, and the final report is now available. The review has considered how local highway authorities deal with potholes, as well as wider stakeholder views and implications. It makes 17 recommendations that will, if implemented, provide an improvement in highway maintenance and reduce the number of potholes occurring.

There are 3 key messages in the report:

- prevention is better than cure
- right first time for better repairs
- clarity for the public

The purpose of this document is to outline Thurrock Council's current position in relation to the report and its recommendations and following this, assess any future improvements required in order for Thurrock Council to comply in full.

Alongside each theme, HMEP have provided a number of recommendations, listed in order of priority. These recommendations are shown under each theme in bold, below which, is Thurrock Council's current position in relation to it.

2. Prevention is better than Cure

Economic Benefits of Highway Maintenance - Recommendation 4

“To evaluate and justify the need for investment in maintenance of the local highway network, the Department for Transport should work in conjunction with local highway authorities to develop advice on determining economic costs and benefits.”

The highway network is the largest and most visible asset for which Thurrock Council is responsible. Whilst it is widely accepted that the condition of the highway network has a significant impact on economic development and prosperity, there is limited information available on the contribution that investment in highway maintenance makes to the economic development of local communities.

The Department is currently providing assistance to this through its representation at the Association of Directors of Environment, Economy, Planning and Transport (ADEPT)

Commitment of Highway Maintenance Budgets - Recommendation 5

“The Government should commit to establishing budgets for highway maintenance for the full four years of Comprehensive Spending Review periods. This will provide greater budget certainty for the highway sector. Local

highway authorities should ensure their funding for highways maintenance is aligned to this time period.”

Thurrock Council will produce a four year programme that will be included in the Plan. An indicative 4 year budget allocation has already been set by the Government. Thurrock Council will then take steps to ensure this is caveated with the indicative budget allocation in mind.

Prevention is Better than Cure - Recommendation 6

“Local highway authorities should adopt the principle that ‘prevention is better than cure’ in determining the balance between structural, preventative and reactive maintenance activities in order to improve the resilience of the highway network and minimise the occurrence of potholes in the future.”

The department is currently producing a ‘pothole plan’ which will set out our methods of treatment for repair according to the nature of the defect. The pothole plan will be issued by the end of June 2016. Carriageway defects will be assessed and an appropriate programme of treatment set in order to prevent further deterioration. Types of treatment will include joint sealing, Jet Patching, patching repairs, resurfacing, and haunch repairs.

Informed Choices - Recommendation 7

“Local highway authorities should ensure that appropriate competencies are available to make the right choices when designing and specifying techniques and materials for the maintenance and repair of highways. These competencies can be secured through training, collaboration with neighbouring authorities or external advice.”

Thurrock Council employs the use of a training skills matrix that will determine any skills gaps and training requirements. An appropriate training programme will then be set up to ensure staff have the up to date knowledge and skills required to ensure the most appropriate methods of repair are procured according to the defect. This will also include collaboration with other authorities and keeping up to date with innovative methods of repair.

Guidance on Materials - Recommendation 8

“Comprehensive guidance should be made available in the design, specification and installation of materials for the maintenance and repair of highways, to ensure the use of appropriate materials for the right site. This guidance should be produced by the sector for the sector.”

Guidance on use of materials is driven by the industry. Through close collaboration with the supply chain, discussing the best treatments and methods for each specific scheme, Thurrock Council source reliable information from industry leaders, using the expertise available to efficiently deal with the engineering issue at hand.

Thurrock Council ensures compliance with the DMRB on all schemes, excluding necessary departures from standard.

Co-ordinating Street Works -Recommendation 15

“All parties undertaking works on the highway should share and co-ordinate short and long term programmes of work for up to four years in advance, based on good asset management practice.”

It has been widely accepted that both local authorities and utility companies would benefit from freedom of information regarding programmes of work as it would enable utility works to be carried out in advance of planned highway maintenance. Thurrock Council agrees that authorities should identify a suitable period for the co-ordination of programmes with utility companies.

The 4 year plan will be shared in advance with appropriate stakeholders, including statutory undertakers in order that planned utility works can be programmed ahead of planned maintenance schemes. Improved communication and collaboration with stakeholders will ensure maintenance periods will be adhered to in order to minimise disruption on the road network. A new Thurrock Network Management Plan will be produced, following a review of its Traffic Sensitive Streets and co-ordination of Street Works in general. Innovative methods of repair will be agreed with Utility Companies to further reduce the likelihood of unnecessary reinstatements, leading to much reduced congestion on Traffic Sensitive Streets which is generally caused by Street Works.

Improvements to the co-ordination and management of road works, and road space management in general, have been identified as key goals within the department. This would not only improve the ability to manage highway assets effectively and efficiently, but would also enable the Council to meet its duty better in managing the expeditious movement of traffic across its network and improve public satisfaction.

Minimising Highway Openings - Recommendation 16

“All parties involved in reinstatements must consider the need to minimise long term damage from the installation, renewal, maintenance and repair of utility and highway apparatus through alternative and innovative ways of working. Trenchless technology should be considered as part of this decision making process.”

In order to minimise the use of trenches, Thurrock Council is encouraging the use of 'keyhole' technology, in terms of accessing and servicing utilities. The process includes using a high pressure lance to break the surface material, which is subsequently extracted via suction to provide access to the utilities beneath the surface. This method doesn't require a large area of the highway to be extracted and through using high pressure air, minimising the possibility of causing damage to other utilities through excavation.

It is also important to note that the smaller the excavation, the less likely the previously intact carriageway is to fail in the future, due to the works. This process is more expensive than conventional methods and is currently only being used at 'pinch points' along the network. However, Thurrock Council is keen to promote the use of this method more widely in the future as it is recognised as the more efficient method in many cases.

3. Right First Time

Quality of Repairs and Reinstatements - Recommendation 14

“To drive up standards, a quality scheme similar to a National Highway Sector Scheme should be developed by the sector to cover all aspects of manual surfacing operations, including pothole repairs and reinstatements, and its use specified by local highway authorities and utility companies.”

Thurrock Council will ensure skills gaps and required refresher training will be identified for all in-house operatives and training will be given accordingly. This will include CDM training in accordance with the 2015 regulations. Following this, appropriate KPIs will be set.

Guidance on Repair Techniques - Recommendation 13

“Local highway authorities should consider the guidance provided in the ADEPT report Potholes and Repair Techniques for Local Highways and adopt as appropriate to their local circumstances.”

The guidance contained in the ADEPT report is currently being reviewed. Appropriate elements will be adopted as part of the ongoing transformation of the in-house highway maintenance and improvement delivery service.

Inspection and Training - Recommendation 11

“Local highway authorities should utilise inspection manuals to support implementation of their inspection policies. They should also ensure that highway inspectors are trained, qualified and competent in the identification and assessment of defects, including potholes, through a scheme accredited by the Highway Inspectors Board.”

Thurrock Council is currently developing a Highway Inspection Manual. Any skills gaps will be identified and the appropriate training will be provided in order to ensure the competency of in-house staff.

Technology - Recommendation 12

“Local highway authorities should consider using proven technology and systems for the effective identification and management of potholes.”

Thurrock Council recognises the benefits that technology can bring to the highways service in improving effectiveness and efficiency. A highways management system called 'Symology' has been in operation since 2012 and is used to capture and store information relating to highway condition, customer enquiries and works coordination. The system is used by highway inspectors to record defects and arrange for their repair in the field using mobile devices.

This information is then used by the Highways Operations team to programme remedial works. Other areas of the highways maintenance will be migrated onto the system in the future to improve their effectiveness and efficiency.

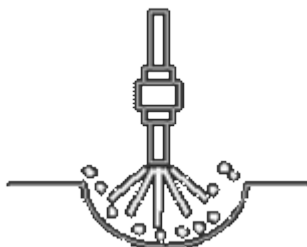
Research and Innovation - Recommendation 17

“The sector will benefit from supporting, co-ordinating, contributing and disseminating research on all aspects of pothole operations. Innovation from such research may continue to provide opportunities for improvement of pothole management and operations.”

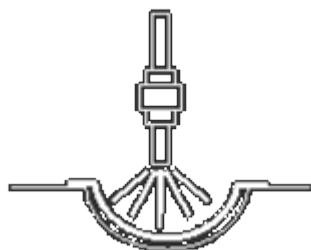
Thurrock Council is consistently looking for new and innovative ways to improve the techniques employed in all aspects of pothole operations, from identification to repair. Working alongside conventional, tried and tested patching techniques, Thurrock Council is currently trialing the use of jet patching as a method of pothole repair. Jet patching provides a cost-effective way of maintaining the wearing surfaces of asphalt roads, car parks, footpaths, industrial areas including repairs of potholes and crack seals.

Jet patching uses a simple four stage process. The problem area is cleaned and prepared, sealed, filled, cured and ready for traffic in one smooth operation. Permanent repairs are made with bitumen emulsion, lasting as long as repairs using hot rolled asphalt. It is also important to note that the emulsion used is environmentally friendly.

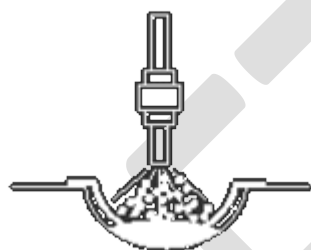
Jet patching boasts minimum traffic delays with most repairs complete in less than 15 minutes. Repairs can withstand traffic use shortly after completion.



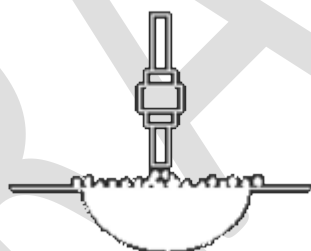
Stage One: Using the high volume, low pressure blower to blow all loose debris from the pothole, it is then cleaned and prepared for an effective patch.



Stage Two: The apparatus now coats the pothole with an asphalt emulsion which seals the pothole and prevents further damage from occurring. This is due to the asphalt emulsion providing a waterproof coating, sealing it from encroaching moisture.



Stage Three: Aggregate is introduced into the pothole. The aggregate is mixed with the asphalt emulsion and blown in to the pothole at high velocity.



Stage Four: After the pothole has been effectively sealed and filled, a light layer of dry aggregate is applied to the patch, preventing the patch from adhering to car tires prior to the emulsion fully curing. The patch is now ready for traffic.

Thurrock Council is also actively training its own staff in order to carry out innovative techniques for pothole repair. One of these techniques, Joint Sealing, is becoming more widely used within Thurrock Council as a preventative measure. Joint Sealing is primarily used to repair cracks and fretted joints in the carriageway up to a depth of 40mm. It is beginning to become a popular technique as it offers a simple, versatile and waterproof system with rapid installation, making it a cost effective preventative solution.

This preventative method uses a waterproof coating to intervene with the cracking at an early stage, preventing any future water encroachment, ensuring the crack doesn't become a pothole. Thurrock Council is in the process of training its own staff to be able to carry out these techniques safely and efficiently so that these issues can be handled without the need for an external contractor.

Finally, Thurrock Council demonstrates its ongoing commitment to the co-ordination of research, innovation and the sharing of good practice through its membership of ADEPT and through its membership with the Eastern Highway Alliance (EHA) where innovation and good practice is shared amongst the other Authorities that form part of the Alliance.

4. Clarity

Public Communications - Recommendation 3

“Local highway authorities should have an effective public communications process that provides clarity and transparency in their policy and approach to repairing potholes. This should include a published policy and details of its implementation, including the prevention, identification, reporting, tracking and repair of potholes.”

Thurrock Council’s Highway Maintenance Policy and Strategy is to be published on the Council’s website and includes a clear policy and approach to repairing potholes.

The Transportation and Highways Service has also drafted an Asset Management Communications Strategy. This strategy aims to assist the Service to:

- Set the Levels of service
- Report on performance and value for money
- Allow interaction on key decisions that affect transport and infrastructure within the borough; and
- Highlight key areas of communication for the Highways Service area.

Public Opinion Surveys - Recommendation 2

“Local highway authorities should monitor public satisfaction with road, footway and cycleway condition and repair annually through the National Highways and Transport Public Satisfaction Survey or their own surveys. The findings can be used to benchmark performance and taken into consideration in local highway maintenance policies.”

A customer satisfaction survey will be undertaken by NHT in August 2016. Thurrock Council should receive the results in October 2016. The NHT Public Satisfaction Survey collects public perspectives on, and satisfaction with, highways and transportation services in local authority areas. The survey asks questions in respect of the following themes:

- Accessibility
- Public Transport
- Walking and Cycling
- Tackling Congestion
- Road Safety

- Highways Maintenance & Enforcement.

The results compare performance between authorities over time using tabular reports, graphs and maps. These results will be used to form future policy refreshers and the way in which the Transport and Highways Service prioritises defects.

Permanent Repairs Policy - Recommendation 10

“Local highway authorities should adopt permanent repairs as the first choice. Temporary repairs should only be used where safety cannot be managed using alternative approaches and in emergency circumstances.”

Thurrock Council is working to ensure temporary repairs are minimised. Permanent patching repairs will be carried out, where possible, to avoid repetitive visits to problem locations.

In-house staff will be trained to assess the safety of each site, determining an emergency situation and advising the best course of action for each specific site.

Definition of Potholes - Recommendation 9

“To provide clarity, local highway authorities should adopt dimensional definitions for potholes based on best practice as part of their maintenance policy. Response times and treatment of potholes should be based on local needs, consideration of all highway users, and an assessment of risk.”

Thurrock Council currently refers to its internal Highways Maintenance Policy document for all dimensional pothole definitions, including information on response times and appropriate treatment methods. However, this is a working document and is currently being updated in order to better advise staff in terms of tailoring response times and treatments to local needs, the variety of highway users and to only commission works upon the appropriate assessment of risk at each specific site.

In terms of public information, Thurrock Council’s website currently informs the public regarding dimensional pothole definitions, but will be updated in line with the Highways Maintenance Policy to include information on appropriate response times.

Strengthen Well-maintained Highways - Recommendation 1

“Well-maintained Highways should be revised and strengthened to include all recommendations of this Review which are relevant to local highway authorities.”

Thurrock Council is aspiring to each recommendation in this review and understands the importance of developing these recommendations as best practice. Where required, the Transportation and Highways Service will impose appropriate and realistic measures in order to achieve this.

**Thurrock Highway Maintenance
and Network Management:
Policy Guidance and Standards**

Part 1: Highway Maintenance

August 2016

Document Control

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1. Background

1.1. Introduction

This document comprises Part 1 of Thurrock Council's revised *Highway Maintenance and Network Management: Policy Guidance and Standards*, and focuses on the highway maintenance element. **Appendix A** outlines in more detail the areas of highway network management which will be included in Part 2, covering the operation and improvement of the highway.

This will supersede the current range of policy guidance and standards for highway maintenance and management that is currently used by the Council and its contractors. Largely inherited from Essex County Council prior to Thurrock Council gaining unitary status, they have served the Council well, but are now in need of revision following a stream of recent changes, including new national legislation, the publication of the Thurrock Transport Strategy 2008 – 2021, and the need to be flexible in view of the need to reduce the national financial deficit.

Well Maintained Highways, the 2005 Code of Practice for Highway Management plus the *Well Maintained Highways Complementary Guidance 2010* combined provide a set of recommendations for highway maintenance practice¹. They comprise a framework of guidance and standards about the maintenance service. However, the Code of Practice is not mandatory but instead reflects the need for local discretion and diversity in service provision. Such flexibility is central to recognising that local service users' priorities will differ, as will the levels of funding available to different authorities. The Code of Practice is due to be updated in 2017 and a further review of this policy will be carried out at that time to ensure any changes in the Code of Practice are considered within this Policy.

The level of funding available to Thurrock will be a major factor in delivering Part 1 of *Highway Maintenance and Network Management in Thurrock*. In order to encourage Councils to work in the most efficient manner, a new approach to the way funding is allocated was introduced by the Department for Transport in 2015, known as the Highway Maintenance Efficiency Programme (HMEP) Incentive Fund. Under this Programme, Councils submit a self-assessed score, on how they are performing against DfT's criteria. Levels of funding have been determined under this Programme until 2021 and whilst this funding relates to the Capital allocations, the way in which this is spent has an impact on how the revenue / reactive funding is spent.

The Code of Practice is based on the assumption that available funding for highway maintenance will continue to provide some flexibility for authorities to pursue a regime of assessment and rational planning of programmes and priorities. In the short to medium term, however, it is very likely that funding

¹ Practitioners should also refer to *Sustainable Highways – A Short Guide* produced by TRL in 2006, a daughter document to *Well Maintained Highways* and to *Well Lit Highways, Code of Practice for Highway Lighting Management*

will be much reduced compared to that which was available when the Code of Practice was prepared in 2005. Any reduction in funding will be reflected in the standards and prioritisation adopted and delivered on the ground.

This document, Part 1 Thurrock's *Highway Maintenance and Network Management*, sets out Thurrock Council's approach to setting the standards for the highway maintenance service. This is in accordance with statutory duties (**Section 1.2**), whilst implementing the philosophy of the Code of Practice and reflecting local priorities and circumstances. This document therefore provides guidance on the strategic planning and management of highway maintenance, within the context of local and national policy. It does not simply repeat the Codes of Practice, nor is it intended as a detailed technical reference for all aspects of highway maintenance, repeating technical guidance that is available elsewhere. Indeed, for detailed information on the delivery of maintenance activities, such as how to carry out inspections or how to record data, practitioners should refer to the latest plethora of technical documentation available.

Instead it complements the Codes of Practice, focusing on how to prioritise and target maintenance activity in Thurrock and achieve defined standards of safety, serviceability and sustainability. This is intended to help with on-going decision making, such as formulating an annual programme of schemes. Whilst there is considerable local discretion in setting standards of service and priorities, maintenance practice does operate within a legal framework and needs to deliver statutory obligations of the Council. Wherever priorities and standards set out in Part 1 of *Highway Maintenance and Network Management* differ from those in the Code of Practice, those in this document will take precedence.

This document has been developed with a view to minimising the need to revise it too often, such as annually to reflect changes to annual budgets. Instead, it will be subject to a brief review every year to verify its fitness for purpose, and a more thorough revision every three to five years.

1.2. Legal Framework

Much of highway maintenance activity is based upon statutory powers and duties. In addition to a general Duty of Care to users and the community to maintain the highway in a condition fit for its purpose, there are a number of specific pieces of legislation which provide the basis for powers and duties relating to highway maintenance.

1.2.1. *Highways Act 1980*

The *Highways Act 1980* sets out the main duties of highway authorities in England and Wales. It is the statutory duty of the highway authority to maintain that part of the highway defined as being maintainable at public expense. This duty is consolidated in Section 41 of the Highways Act 1980. Under Section 56 of the Act any person may apply to the courts for an order requiring the highway authority to take remedial action in cases of alleged non-repair by that authority

that may also face action for damages resulting from failure to maintain the highway. Section 58 of the Act provides that in the event of an action it shall be a defence to show that the road was kept in a reasonable state of repair having regard for the traffic using it, the standard of maintenance appropriate to its use and public safety.

Section 150 of the Act requires the highway authority to clear obstructions from the highway resulting from the accumulation of snow or from the falling down of banks on the side of the highway, or from any other cause. Section 41 of the Highways Act was amended to expressly include snow and ice in a Highway Authority's statutory duty to maintain the highway.

1.2.2. *Traffic Management Act 2004*

The *Traffic Management Act 2004* introduced a number of provisions. The most important feature of the Act is Section 16(1) which establishes a new duty for local traffic authorities 'to manage their road network with a view to achieving, so far as may be reasonably practicable, having regard to their other obligations and policies, the following objectives:

- Securing the expeditious movement of traffic on the authority's road network;
- Facilitating the expeditious movement of traffic on road networks for which another authority is the traffic authority.

Section 31 of the Act specifically states that the term 'traffic' includes pedestrians, so the duty requires the council to consider all road users.

1.2.3. *Maintenance and Management of Public Rights of Way*

Thurrock Council has a duty under the *Wildlife and Countryside Act 1981* and the *Highways Act 1980* to maintain and keep the definitive map and statement of Public Rights of Way (PROW) and to ensure that ways are adequately signposted, maintained and free from obstruction.

The *Countryside and Rights of Way Act 2000* (Section 60) introduced a new duty for authorities to prepare Rights of Way Improvement Plans (ROWIPs). The ROWIP should provide an assessment of the need to which rights of way meet the present and future needs of the public; an assessment of the opportunities provided by local rights of way for exercise and recreation; and an assessment of the accessibility of local rights of way to all members of the community.

1.2.4. *Road Traffic Act 1988*

This provides a duty for highway authorities to promote road safety, including a requirement to undertake accident studies and take such measures as appear appropriate to prevent such accidents occurring.

1.2.5. *The Environmental Protection Act 1981*

This provides a framework of legislation relating to environmental and countryside issues with which highway maintenance operations must comply.

1.2.6. *Climate Change Act 2008*

The Climate Change Act 2008 makes the UK the first country in the world to have a legally binding long-term framework to cut carbon emissions. It also creates a framework for building the UK's ability to adapt to climate change.

1.2.7. *Disability Discrimination Act (DDA)*

The Disability Equality Duty (DED) covers everything public sector organisations do, including policy making and services that are delivered to the public. People who work in the public sector have to consider the impact of their work on disabled people, and take action to tackle disability inequality.

1.2.8. *The Noxious Weeds Act 1959*

This Act places a responsibility on the highway authority to take action to inhibit the growth and spread of injurious weeds growing within the highway. Weed spraying operations are regulated by the Environment Agency and also by the Health and Safety Commission Code of Practice. The Weeds Act covers:

- Spear thistle;
- Creeping or field thistle;
- Curled dock;
- Broad leaf dock;
- Common ragwort.

1.2.9. *The Wildlife and Countryside Act 1981*

This specifies control of certain plants such as giant hogweed or Japanese knotweed.

The Ragwort Act 2003 and associated code of practice gives further information on treating the growth of this weed.

There are other items of legislation that are very specific to certain aspects of maintenance practice, such as the use of herbicides. The practitioner is advised to check the latest legislation.

1.3. Policy Framework

This Section summarises the key objectives and policies of Thurrock Council, especially as described in the *Thurrock Transport Strategy 2008-2021* and the contribution that maintenance can make.

1.3.1. *Sustainable Community Strategy*

The *Thurrock Sustainable Community Strategy (SCS)* was prepared and approved in February 2007 by the Thurrock Local Strategic Partnership, Shaping Thurrock. The SCS outlines a simplified strategic approach and highlights the future vision for the Borough to 2021. It is envisaged that 'Thurrock will be the location of choice – a place where people thrive and prosper, where residents can access services that will make a difference; and where development is sustainable and supports our new and existing communities as they regenerate and grow'.

The SCS contains five priorities related to the overarching vision. The three priorities within the SCS that are relevant to maintenance practice are:

- To ensure a safe, clean and green environment;
- To encourage and promote job creation and economic prosperity;
- To provide and commission high quality and accessible services that meet, wherever possible, individual needs.

In addition, the SCS has identified a number of outcomes. Again, maintenance practice will help to achieve some of these, including:

- Our streets and parks will be clean and well maintained;
- More residents will be using Thurrock's high quality and well-connected green spaces;
- More homes and businesses will have reduced their carbon emission and Thurrock will be better prepared for the impact of climate change;
- The natural environment will be protected, enhanced and celebrated;
- Roads, public transport networks and housing will be enhanced so that local people have better access to employment opportunities, other amenities.

1.3.2. *Thurrock Transport Strategy: 2008 to 2021*

The *Thurrock Transport Strategy 2008 to 2021* supports the SCS and comprises the strategy element of the statutory Local Transport Plan. It also has a number of transport specific objectives that are supported by maintenance practices, including:

- To increase levels of walking and cycling, especially where health benefits would be greater;
- To continue increasing public transport patronage;
- To encourage a modal shift away from the private car to walking, cycling and public transport, especially to work and school;
- To improve bus user satisfaction;
- To reduce carbon dioxide emissions from transport;
- To reduce vulnerability to the impacts of climate change;
- To reduce the number of people killed or seriously injured in road traffic collisions;
- To create a safer environment for road users, especially those who are more vulnerable.

To meet these and other objectives, the Thurrock Transport Strategy has five thematic strategies concerning accessibility, congestion, safety, air quality and climate change, and regeneration.

The thrust of the accessibility strategy is to improve accessibility by walking, cycling and public transport to services. Key policies include:

- The creation of a network of core walking and cycling routes (see **Map 1, Appendix C**);
- Improving the safety of vulnerable road users such as pedestrians and cyclists and mitigating safety concerns that act as barriers to the use of these modes;
- Incorporating the needs of people with mobility impairments or with disabilities.

The strategy for tackling congestion will be to deliver a targeted programme of measures to encourage a modal shift to more sustainable modes of transport such as walking and cycling, and improve the efficiency of the transport network. Key policies include:

- The development of a network of high quality inter-urban public transport routes;
- A modal shift towards walking, cycling and public transport;
- Improved network efficiency.

Improving air quality and mitigating/ adapting to climate change will be achieved by supporting modal shift and then reducing emissions from those vehicles still operating, as well as reducing Thurrock's vulnerability to climate change. Key policies include:

- Transport measures that reduce both greenhouse gas and air pollution emissions will be prioritized;
- Mitigating the adverse impacts of freight operations by reducing emissions from Heavy Goods Vehicles in Thurrock;
- When undertaking transport improvements, including maintenance schemes, the Council will integrate climate change adaptation measures into design to ensure that vulnerability to the transport network from climate change is minimized.

The safety strategy, whilst aiming to reduce casualties where people are killed or seriously injured on the Thurrock road network, will take a broader and proactive approach, aiming to reduce road danger and improve personal security and thereby promote modal shift and community regeneration. Key policies include:

- A priority will be safety around schools;
- Integrating road safety into all work programmes, including maintenance;
- Using Killed or Seriously Injured accidents to help prioritise road safety interventions;
- Creating a safer environment for pedestrians and cyclists.

The regeneration strategy is largely integrated into the other thematic areas, particularly in terms of social and economic regeneration. However, key policies related to environmental regeneration are:

- When designing and implementing transport improvements the Council will ensure they contribute to the quality of the public realm and the integrity of its historic and cultural setting
- When designing and implementing transport improvements the Council will ensure they contribute to the protection and enhancement of habitats and biodiversity, the integrity of water quality, and the preservation and enhancement of the landscape

In autumn 2009, Small Fish strategy consultants undertook a study to identify Economically Important Routes in Thurrock as part of the Implementation Plan element of the Local Transport Plan. This study identified where the adverse impact of congestion on the economy could be expected to be much greater than similar levels of congestion on other routes. The identification of Economically Important Routes took into account:

- Levels of commuting;
- Levels of HGV activity;
- The existing road network hierarchy;
- The location of current and future major employment areas/ town centres;
- Their regional economic importance.

Thurrock's Economically Important Routes are shown at **Map 3, Appendix C**.

2. Prioritisation

There are clearly a number of factors that have a call on the limited funding for maintenance. This chapter explains how the required works are prioritised. Priorities for maintenance works and inspections are informed by:

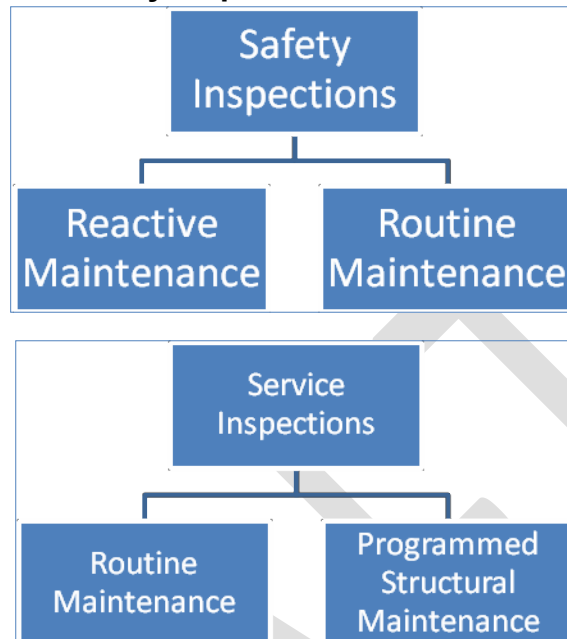
- Risk assessments and safety (following safety inspections, see **Chapter 3**);
- The serviceability and condition of the highway asset (outcome of service inspections/ condition surveys, **Chapter 4**);
- LTP policies and priorities (see also **Section 2.6**);
- Feedback from highway users and the public.

Maintenance programmes are therefore prioritised, reviewed and updated annually with reference to new condition data, changes in budgets, changes in LTP priorities or policies, changes to levels of service, and changes to community priorities.

It is useful at the start of this Chapter to show briefly the different types of inspections or surveys and the type of maintenance to which they relate. This will help the non-expert reader understand the prioritisation better. A glossary of terms at **Appendix B** provides definitions for the various terminologies.

Condition surveys (see **Chapter 4**) aim to identify structural issues and therefore always lead to structural maintenance if any maintenance intervention is required. Safety and service inspections are shown in Figure 1 below.

Figure 1: Service and Safety Inspections



It can be seen that safety inspections can inform both reactive maintenance and routine maintenance, whilst service inspections inform both routine maintenance and programmed structural maintenance.

2.1. Serviceability and Condition of the Highway Asset

The condition of the highway asset can be determined by three factors:

- Safety, such as the presence of surface defects (see above);
- Serviceability, such as the ride quality of the road;
- Sustainability, such as the noise characteristics of the road.

The maintenance regime, whether dealing with potholes, structural repairs to footways, or replacing streetlights, is largely driven by asset condition. Maintenance works are either:

- Reactive, such as being prompted by the presence of a dangerous defect that needs immediate attention;
- Part of a consistent schedule, such as an annual cleaning of signs;
- Specifically programmed, such as to improve the structural condition of a road so as to preserve the efficiency and value of the network; or
- Winter service – Pre/Post-treatment of the highway against snow/ice, and the clearance of snow.

Knowing the overall condition, in contrast to simply whether or not they are safe,

of roads, footways, bridges and other important assets is essential when programming highway maintenance works. Surface scanning and investigation works are utilised along with other techniques to make sure that limited funds are spent in the most effective manner.

In order to support the Local Transport Plan and funding decisions, the council is developing a Highway Asset Management Strategy (HAMS) to provide the framework for how highway assets are maintained. The HAMS provides a means for the council to understand the value and liability of its existing assets. (The Highway Asset Management Strategy replaces the previous document, Transport Asset Management Plan).

2.2. Risk Management

The management of highway maintenance, including establishing regimes for inspection, setting standards for condition, determining priorities and programmes for effective asset management, and procuring the service, should all be undertaken against a clear understanding and assessment of the risk and consequences involved.

Risk, in this context, is the possibility of an accident happening. The possibility of an accident can never be eliminated, but it can be managed. To help manage risk it is measured in terms of impact and likelihood. Risk management is a process that identifies, assesses, and manages the potential risk in order to provide reasonable assurance regarding the achievement of a safe transport network.

Maintenance should also support other transport and wider objectives. The transport network enables people to travel, which introduces the risk of accidents. It would be self-defeating, however, to reduce the risk of accidents at the cost of preventing people from travelling. The need to make the transport network safe therefore needs to be balanced against the needs and objectives of other policy areas, such as accessibility, congestion and enhancing the natural environment. This will need to be reflected in the inspection regimes and risk management practices.

Nevertheless, the Council should be fully aware of defects with potential serious consequences and so safety inspections will in general take priority over other inspection related demands on available resources. Safety inspections will need to identify defects in the transport network, especially which could potentially have hazardous consequences. Such dangerous defects will always take priority as the Council needs to meet its statutory duty.

Practicing a risk management approach, the frequency of inspection will need to prioritise key elements of the transport network, such as roads with high volumes of traffic, roads with high traffic speeds, and footways with high pedestrian flows. The acceptability of particular defects will also vary, depending on the potential consequences. A tripping hazard on a quiet footway presents a much lower risk than the same defect on a core walking route. This approach will need to be embedded into the safety inspection regime, as outlined in

Chapter 3.

2.3. Reactive Maintenance

Maintenance practice has a number of implications for safety. Transport infrastructure defects can lead to a range of risks and hazards, including: reduced skidding resistance, standing water due to poor drainage, and tripping hazards on footways. In general, safety is considered the highest priority for maintenance practice.

Where a defect is assessed as having serious consequences for the safety of the transport network, making it safe will need to have priority over other objectives and considerations, as explained above. This tends to be reactive maintenance. This means that it is not part of a schedule but instead requires prompt attention. Safety objectives relating to fulfilling minimum statutory duties is the highest priority for the maintenance service and must be met. The cost of undertaking this work must take first call on the maintenance budget and should be seen as the absolute minimum service level.

2.4. Routine Maintenance

Routine maintenance should, where it represents best value for money, follow a consistent and structured approach to scheduling and prioritisation, rather than being solely reactive. That is, it should be part of a *routine*. The budget setting cycle should take account of the relative priorities of reactive and scheduled works and seek to increase the proportion of work that is scheduled. This should lead to a corresponding decrease in reactive maintenance in the longer term. So maintenance practice should where appropriate aim to reduce the need for reactive maintenance by improving service inspections or introducing proactive treatments as budgets allow.

Routine maintenance which forms part of a consistent schedule rather than being reactive is primarily for the purpose of providing defined standards of network serviceability, maximising availability, reliability, integrity and quality. The scheduling can be determined from:

- The regular treatment of a part of the network, such as the planned bulk changing of streetlights every so many years;
- Lower risk defects (Category 2 defects; see **Chapter 3**) identified during safety inspections that do not require urgent attention;
- Issues identified during service inspections;
- Service requests.

Priorities and programmes need to be determined for all types of routine maintenance and consideration given to combining a number of operations into a co-ordinated programme. The other type of intervention that is planned is called structural maintenance.

2.5. Structural Maintenance

Structural maintenance needs are usually identified either through service inspections or condition surveys. Structural maintenance is undertaken

in the interests of providing a sustainable outcome, seeking to minimise cost over time, or to add community value to the network or the environment. It can also be for safety purposes to improve skidding resistance. Whilst programmed structural maintenance schemes may be more expensive than routine programmed or reactive treatments they can be designed to have a lower whole life cost, therefore providing value for money in the longer term.

Thurrock Council will, when resources are available, move towards a structural maintenance approach that is underpinned by a model of deterioration of the network. This divides the highway network into three groups of roads based on their measured condition and makes use of a traffic light system to separate out the categories.

Red roads are sections of roads which are in the worst condition, their level of deterioration, especially their structural deterioration, exceeds a nationally recognised 'threshold level' beyond which sections of road are deemed 'not in good condition'. Treatment of roads is aimed at restoring them to 'good condition'.

Amber roads are sections of road which although not in as bad condition as the red sections are close to red 'threshold level'. If left untreated, these sections of road will deteriorate into the red category. As the structural integrity of these roads is relatively sound their average cost of treatment is substantially less than that

required to treat red sections of road. Treatment of these roads is aimed at arresting deterioration. The council will therefore move towards giving a greater priority to roads in amber condition.

Green roads are roads that are in relatively good condition. They will require some treatment to make sure they stay in good condition but this will be at lower cost and aimed at prolonging their life.

2.6. Policy Priorities

Maintenance is important for all of the Local Transport Plan objectives, for example:

Safety – maintenance practice can impact on road safety, including accidents and safety concerns that might inhibit modal shift, as well as personal security such as through the availability and quality of street lighting after dark.

Congestion – maintenance practice can help to promote modal shift by improving conditions for pedestrians and cyclists, and improve network efficiency such as through careful programming and coordination of maintenance works, especially on key routes so as to minimise congestion and disruption. It can also reduce the likelihood of incidents on important routes.

Climate change and air quality – maintenance practice can reduce emissions in a number of ways, such as:

- In-situ recycling to reduce lorry movements;
- Recycling of materials to reduce the need for the quarrying of primary aggregates and the associated processing and transportation of raw materials;
- Eco-driver training for maintenance staff;
- Use of low emission/ fuel efficient maintenance vehicles. This measure will work to inform freight vehicles drivers of ways to improve fuel economy and reduce emissions through better driving practices;
- Adapting to climate change, such as through flood prevention measures.

Accessibility – maintenance practice can help accessibility by helping to create good conditions for pedestrians and cyclists, and taking into account the needs of people with disabilities.

Regeneration – Maintenance practice can support environmental regeneration, including through: recycling materials and so reducing the need for land take, reducing street clutter, protecting and enhancing habitats and biodiversity such as in verges, using appropriate materials in areas of cultural heritage, and helping to avoid noise and water pollution.

Maintenance practice is already informed by wider considerations, such as the level of pedestrian activity and whether a road is a bus or HGV route. Whilst this is important, it will be increasingly important to take this a step further and integrate this approach with the need to support actual and specific policies in the Local Transport Plan.

The following sections consider the impact, especially in terms of prioritisation, that the objectives and policies in the Local Transport Plan will have on maintenance practice.

2.7. Street Lighting and Traffic Signals

Street lighting repairs and improvements should be focused particularly on the Core Walking and Cycling Routes (**Map 1, Appendix C**) in order to further improve conditions for pedestrians and cyclists. This will work to reduce the fear of crime on these parts of the transport network, with a view to encouraging a modal shift towards these modes, especially after dark.

When maintaining street lights and traffic signals, conventional bulbs should be replaced with longer-life, lower energy options to reduce lifetime costs and CO₂ emissions. It is also important to ensure that street lighting in Conservation Areas contributes to the integrity of historic and cultural settings. This means that when replacing street lights in Conservation Areas as part of the maintenance regime, consultation should be undertaken with the Sustainability Team to determine the type of street light that would be most appropriate to the historic character and setting of the area.

2.8. Drainage

A significant proportion of the Borough is within Flood Risk Zone 3 (high

probability of flooding) as shown in **Map 6, Appendix C**. The frequency and severity of this risk is likely to increase as climate change impacts bring about significant increases in precipitation, storm surges and sea level rise. As well as causing congestion and economic disruption, flooding incidents on the transport network can have safety implications and over time are likely to cause structural deterioration of the surrounding highway. Safety might be particularly compromised by standing water on key routes, such as those with high traffic speeds. In maintenance terms, this is likely to mean an increasing need to reduce flooding incidents by more proactive service inspections and improving drainage, especially in flood risk areas (see **Chapter 4**).

Due to the high risk of flooding, an initial audit to identify drains and their condition across the Borough should be undertaken in order to identify drainage improvements required for delivery in the longer term. This audit should also be used to provide a baseline assessment that will inform the roll out of an on-going drainage service inspection regime. This inspection regime should be combined with safety inspections, where practicable, to reduce costs, and should give particular attention to locations that are susceptible to risk of flooding, especially those on Economically Important Routes and inter-urban bus routes within Flood Risk Zone 3. Additional priority should also be given to flooding that causes the pollution of roadside watercourses that constitute part of the council's biodiversity action plans or other environmentally sensitive areas.

To accord with the inspection regime, priority for drainage maintenance, clearance and/or improvements should be given to locations that are susceptible to risk of flooding, especially those on Economically Important Routes and inter-urban bus routes that are also within Flood Risk Zone 3 (**Map 4, Appendix C**). This is in order to minimise flood risk and economic disruption to the transport network by ensuring the flow and diversion of water away from these transport networks.

When creating new drainage systems, consideration should also be given to delivering Sustainable Drainage Systems (SUDs) in those locations that have been identified as appropriate through the Thurrock Green Infrastructure Framework Plan. These can be found in **Map 5, Appendix C**.

2.9. Carriageway Maintenance

First and foremost, the structural condition of the highway asset is a major consideration, but prioritisation should be informed by other factors. Those road assets requiring structural maintenance that are within Flood Zone 3 and are also part of the network of Economically Important Routes or inter-urban bus routes (**Map 4, Appendix C**) should be seen as a priority of a high order when decisions are being made about programming.

Although of a lesser priority, structural road maintenance programming needs to take into account roads that are in poor condition and that are part of the network of Economically Important Routes that are outside of the Flood Risk

Zone (**Map 3, Appendix C**). These routes typically have high traffic flows and any substantive defect is therefore likely to have an adverse impact on a greater number of vehicles, as well as have a disproportionate impact on the wider economy.

When structural road maintenance is carried out anywhere within Flood Risk Zone 3 (**Map 6, Appendix C**), road surfacing materials and drainage should be utilised in order to improve the resilience of the transport network to flooding and to minimise the economic disruption to the transport network that flood events cause.

Other considerations for structural road maintenance will include the skid resistance of a carriageway, which will need to be greater on certain parts of the transport network, notably on bends and the approaches to junctions and pedestrian crossings, as well as in the vicinity of schools where there is an increased chance of children dashing into the road in places away from formal pedestrian crossings.

Where carriageway cycle lanes are provided, particular attention will be required with respect to drainage gullies, valve covers, and inspection chambers to ensure they do not pose a heightened risk or deterrent to cyclists. Road gully gratings should be the flat type and laid within a defined vertical distance of the road surface. Where others exist, a programme of replacement should be prepared.

It is also important to ensure that structural road maintenance in Conservation Areas contributes to the integrity of historic and cultural settings, and this would include Conservation Areas. This means, that when maintaining and repairing roads in Conservation Areas as part of the maintenance regime, consultation should be undertaken with the Strategic Planning Team to determine the type of surfacing materials that would be most appropriate to the historic character and setting of the area.

Wherever running surfaces are to be renewed or resurfaced during highway maintenance activities, the option of a lower noise surface should be evaluated, and in cases where there would be a significant benefit to the local community they should be carefully considered. The priorities will be roads of 30mph or over that pass through residential areas.

Pothole repairs will be given extra priority along inter-urban bus routes, Economically Important Routes (**Map 3, Appendix C**) and on-road core cycle routes. This will improve both road safety and journey experience, and in the case of cycle routes should support modal shift. On the road network repairing potholes may also mitigate the effects of some road noise as vehicles hit potholes.

When undertaking structural and to a lesser extent routine road maintenance schemes, there will be a need to avoid causing congestion, particularly on inter-urban bus routes and Economically Important Routes. To that end, large scale maintenance projects should be limited to school holidays or other off-peak times where practicable, in order to minimise disruption and reduce congestion incidents related to road works.

Finally, road traffic accident data, especially accidents involving vulnerable road users or Killed or Seriously Injured casualties, should be used to help prioritise programmed maintenance works. Other safety-related incidents should also be used to help prioritise the programmed maintenance works.

2.10. Footway Maintenance

First and foremost, the structural condition of the highway asset is a major consideration, but prioritisation should be informed by other factors. Those footway assets requiring structural maintenance that are within Flood Zone 3 and are also part of the network of Core Walking and Cycling Routes (**Maps 1 and 6, Appendix C**) should be given a priority of a high order.

Although of a lesser priority, structural footway maintenance should also be focused on those parts of the network of Core Walking and Cycling Routes (**Map 1, Appendix C**) and are in poor condition but outside of Flood Risk Zone 3. These routes will typically have high flows of pedestrians and cyclists and any substantive defect is therefore likely to have an adverse impact on a greater number of people, which may detract from the safety and attractiveness of these routes.

When structural footway maintenance is carried out anywhere within Flood Risk Zone 3 (**Map 6, Appendix C**) only road surfacing materials and drainage should be utilised in order to improve the resilience of the sustainable transport network to flooding. This should help to improve the journey experience for pedestrians and cyclists and further encourage a shift towards these modes.

It is also important to ensure that structural footway maintenance in Conservation Areas contributes to the integrity of historic and cultural settings. This means, that when maintaining and repairing footways in Conservation Areas as part of the maintenance regime, consultation should be undertaken with the Strategic Planning Team to determine the type of surfacing materials that would be most appropriate to the historic character and setting of the area. In general however, slabbed and small element paving footways will only be maintained in urban central areas, shopping streets and where the construction suits the environment of a conservation area or other sensitive area. Other slabbed footways will be replaced with macadam unless third party funding is available to meet the difference between the cost of macadam and slab relaying.

The safety inspection regime will also need to give special consideration to Core Walking and Cycling Routes. This will work to further improve conditions for pedestrians and cyclists, with a view to encouraging a shift towards these modes. The Thurrock Transport Strategy makes these integral to promoting modal shift to walking and cycling and aims to make these attractive routes, including by reducing perceived safety concerns. The routes are therefore likely to see an increase in pedestrian and cycle traffic, which may increase the risk.

Footway routine maintenance will be especially important on Core Walking and

Cycling Routes (**Map 1, Appendix C**) in order to improve both safety and journey experience. Keeping footways and cycle ways in good repair along core routes will further improve conditions for pedestrians and cyclists, with a view to encouraging a modal shift towards these modes.

Some parts of the transport network have high usage by some of the more vulnerable road users, such as children, those with mobility problems or elderly people. Defects are therefore likely to represent an increased hazard in the vicinity of schools, hospitals, retirement homes and sheltered housing. It will be particularly important around these sites to eliminate tripping hazards.

All structural footway maintenance should make increased use of recycled aggregates to reduce the need for quarrying primary aggregates and will increasingly recycle in-situ to reduce transport and hence CO₂ emissions. Reasons to the contrary should demonstrably outweigh the benefits of this practice.

Finally, all new infrastructure and services must comply with the Disability Discrimination Act (DDA) and maintenance of existing infrastructure and services should ensure the delivery of access for the disabled through the following measures:

- Implementing, as part of structural maintenance works, dropped kerbs and accessible crossing points, especially on core walking routes and other footways in the vicinity of GP surgeries, hospitals, residential care and nursing homes, sheltered housing and community facilities;
- Prioritising tripping hazards in the vicinity of hospitals, GP surgeries, nursing homes and residential care homes, sheltered housing, and community facilities.

2.11. Public Rights of Way

Maintenance regimes need to promote the ease of use of the Public Rights of Way network. Standard cutting programmes will be carried out on an annual basis in addition to reactive maintenance. In addition to asset condition, priority for action will be where Public Rights of Way comprise parts of the Core Walking or Cycling routes, or the council's Greengrid network.

2.12. Structures

Priority for the bridge strengthening programme should be given to those bridges in need of strengthening that are on Economically Important Routes. Further prioritisation for strengthening, if required, can be given to bridges serving freight facilities and with large proportions of Heavy Goods Vehicles. Bridges that require structural maintenance based on condition surveys *and* which need strengthening should be given extra priority in the interests of value for money.

Retaining walls and embankments will be improved where condition is poor and where their collapse would cause a hazard or severe disruption to the transport

network. Prioritisation of these works will take into account whether any impact will be on Economically Important Routes (**Map 3, Appendix C**) or inter-urban bus routes. Economically Important Routes typically have high traffic flows and any substantive defect is therefore likely to have an adverse impact on a greater number of vehicles as well as the economic competitiveness and productivity of Thurrock. The safety inspection regime will need to give special consideration to Economically Important Routes and strategic routes, as well as main distributor roads.

2.13. Signage

Ensuring that new signage can withstand higher wind speeds will be a priority on Economically Important Routes, as well as strategic routes and main distributor roads. There will also be a need to consider whether signs are no longer needed and this should be carried out as part of the maintenance inspection regime. Such an approach will help to reduce signage clutter and improve the streetscene, as well as reduce future maintenance costs.

This will be a priority in:

- 20mph zones where the risk will be lower and where streetscene improvements are an integral part of the implementation;
- Rural areas where there is a need to reduce their urbanization;
- Key regeneration areas of the Thurrock Urban Area such as Grays town centre, Lakeside and the riverside.

2.14. Verges and Trees

Highway verges and the wider 'soft estate' have implications for conservation and biodiversity. Management of these areas requires specialist advice. A balance needs to be sought between safety, amenity, nature conservation and value for money.

All verges should be maintained in an appropriate environmental manner, particularly in respect of nature conservation value. The maintenance approach should be based upon the following principles:

- Appropriate mowing (depending on flora/fauna present). This includes the timing of cutting operations on all verges to take account of the flowering and seeding of wild flower plant species;
- No unnecessary inputs (herbicides etc.);
- Identified designated sites of nature conservation value or other biologically rich verges will be managed with an appropriate regime;
- The need for some verges to undergo no routine cutting where this is a benefit to wildlife and its habitat;
- Management of trees, including in urban areas, will take account of landscape and environmental considerations.

The Strategic Planning Team should be consulted before maintenance works to verges and trees are carried out, particularly in and around designated nature

conservation sites (including landscape management plans and biodiversity action plans) or where it comprises part of Thurrock's Greengrid network (see **Map 5, Appendix C**). Where sites with national or international nature conservation designations are within or adjacent to the highway boundary, advice should also be sought from Natural England. Where they are adjacent to a Local Wildlife Site advice should also be sought from Essex Wildlife Trust.

Where there is a conflict between a clear need to preserve road safety and the need to preserve the natural habitats which exist within roadside verges, in terms of both plant and wildlife, the need to maintain safe visibility for all categories of road user will be accorded priority. However, care will need to be taken to avoid excessive visibility inviting higher traffic speeds, which in turn will compromise road safety. Safety is therefore likely to take priority only at visibility splays and other key parts of the network.

There will also be an increasing need to ensure that maintenance regimes can cope with the increased cutting of verges that may arise from an extended growing season as a result of climate change. One way that this will be achieved is by ensuring that new planting schemes are designed to cope with climate change, and require minimal on-going maintenance. Where feasible, new planting should be both drought and flood resistant.

2.15. Summary

The principles and priorities in this chapter will be reflected in the following chapters, such as through the frequencies of safety and service inspections, the acceptability of defects, the need to move towards additional service inspections, etc. The priorities will also ultimately be used to help determine annual programmes of work.

3. Defects and Safety Inspections

The Council undertakes a system of regular highway safety inspections of all its adopted highways in order to comply with its statutory duty to maintain highways in accordance with Section 41 of the Highways Act 1980, and to provide a special defence under Section 58 of the Act (see **Section 1.2.1**). This allows the Council to provide defence against actions brought by third parties for damages resulting from failure to maintain the highway provided there is an efficient and effective highway inspection regime and that thorough and detailed inspection records are kept plus that there is a reasonable system for repair and maintenance.

Safety inspections are designed to identify all defects likely to create danger or serious inconvenience to users of the network or the wider community. The risk of danger is identified by a highways inspector on site, and the defect categorised in terms of an appropriate priority response. The establishment of an effective regime of inspection, assessment and recording is a key component of highway maintenance. This regime also provides the basic condition data for the development of maintenance programme.

An effective safety inspection regime has clearly defined:

- Inspection frequencies;
- Items to be recorded;
- Degree of defect;
- Assessment of risk;
- Nature of response.

These will be covered in turn in the following sections.

3.1. Inspection Frequency

The frequency of safety inspection relates to the relative importance of the feature and the category or function of road. Some additional ad hoc inspections of specific defects will be required in response to reports or complaints from the Police, other organisations and the public, as a result of minor incidents or extreme weather conditions. Wherever possible, different types of inspections (safety and service inspections for example) will be carried out simultaneously. To support this aim, the Council will develop an area-based approach to inspections.

The following tables generally show a range of inspection frequencies. The lower end frequencies are the absolute minimum frequencies at which safety inspections should be carried out. This lower end of the frequency range defines a minimum level of service and aims to satisfy basic safety requirements: It is imperative that this level of frequency is met. It will be noticed that the inspection frequency never drops to less than annual. The higher end of the range represents the level of frequency the Council would like to achieve, if the resources were available, in order to keep on top of defects to, or deficiencies in, the highway network for reasons relating more to serviceability, customer satisfaction and sustainability

It will be noticed in the following tables that the inspection frequency also varies according to the characteristics of that part of the highway network. This can be determined by factors such as the function of the road or the policy context

3.1.1. Carriageways

The frequency of safety inspections on carriageways shall be carried out in accordance with **Figure 2** below.

Figure 2: Minimum frequency of safety inspections on carriageways

Description	Category	Frequency of inspection
Level 1 routes – Strategic non-trunk roads, Economically Important Routes and inter-urban bus routes	2	6 times per annum
Level 1 routes - Main distributor roads	3(a)	6 times per annum
Level 1 routes - Secondary distributor roads	3(b)	6 times per annum
Level 2 routes - Link roads	4(a)	2 times per annum
Level 3 routes - Local access roads	4(b)	Once per annum

3.1.2. Cycleways/ core cycle routes

The frequency of safety inspections on cycleways shall be carried out in accordance with **Figure 3** below.

Figure 3: Minimum frequency of safety inspections on cycleways

Description	Category	Frequency of inspection
On carriageway cycleways	A	As for carriageways, with the exception that all implemented core cycle routes in the Thurrock Urban Area ² will be inspected at least 2 times per annum
Implemented core cycle routes that are remote from carriageway within the Thurrock Urban Area	B	2 times per annum
All other cycleways that are remote from carriageway outside Thurrock Urban Area		Once per annum
Cycle trails	C	Once per annum

3.1.3. Footways

The frequency of safety inspections on footways shall be carried out in accordance with **Figure 4** below.

² The Thurrock Urban Area is defined as between the A13 and the River Thames north to south and between Chadwell St Mary/ Tilbury and Purfleet east to west.

Figure 4: Minimum frequency of safety inspections on footways

Description	Category	Frequency of inspection
Primary walking routes/ implemented core walking routes and core cycling routes that use footways	1	6 times per annum
Secondary walking routes	2	2 times per annum
Link footway	3	Once per annum
Local access footway	4	Once per annum

For **Figure 2 to 4**, additional safety inspections shall be carried out in response to:

- Reports or complaints from Essex Police and other organisations;
- Community concern, namely reports or complaints from members of the public;
- Minor incidents;
- Extreme weather conditions.

All claims, incident data and Road Traffic Accident data should be used to aid the decision making process on inspection frequencies to improve targeting of resources.

Furthermore, inspection frequencies may be increased on certain routes if there is a demonstrable need. This could apply to the following types of routes:

- Access routes (carriageway, cycle routes and footways) to hospitals/ schools;
- Winter service routes;
- Bus routes under route specific Quality Bus Partnerships or similar partnership agreements.

3.2. Investigatory Levels and Risk Identification

Highway defects will be managed on the basis of risk. Any potential defect for which the investigatory level is reached or exceeded is to be identified as a risk that needs to be investigated further. The list of highway inventory to be observed for possible defects and the defect investigatory levels are shown in **Figure 5**.

Figure 5: Investigatory Levels

Item	Highway description	Defect	Investigatory level
1	Carriageways over 20mph (20mph or under in parentheses). Structures: <input type="checkbox"/> Central island <input type="checkbox"/> Central reservation <input type="checkbox"/> Hard shoulder <input type="checkbox"/> Crossover (central reserve) <input type="checkbox"/> Lay-by	Pothole/ spiralling	50mm depth (60mm depth) 75mm across in any horizontal direction
		Ridge, rutting, hump	50mm (60mm)
		Depression/ sunken cover	50mm (60mm)
		Gap/ crack	50mm depth (60mm) >25mm width
2	Cycle routes (including on/ over structures) Includes: <input type="checkbox"/> Kerbs <input type="checkbox"/> Edgings <input type="checkbox"/> Channels <input type="checkbox"/> Verge	Pothole/ spiralling	25mm depth (75mm across in any horizontal direction)
		Ridge, rutting, hump	25mm
		Depression/ sunken cover	25mm
		Gap/ crack	25mm depth (>25mm width)
3	Footways ³ – core walking/ primary walking routes (including on structures, and ramps/ stairs on structures) Includes: <input type="checkbox"/> Kerbs <input type="checkbox"/> Edgings <input type="checkbox"/> Channels <input type="checkbox"/> Verge	Trip/ pothole/ sunken cover	25mm depth (75mm across in any horizontal direction)
		Rocking slab/ block	25mm vertical movement
		Open joint	25mm depth (100mm x 50mm horizontally)
4	Footways – others (including on structures, and ramps/ stairs on structures) Includes: See 3 above	Trip/ pothole/ sunken cover	25mm depth (75mm across in any horizontal direction)
		Rocking slab/ block	25mm vertical movement
		Open joint	25mm depth (100mm x 50mm horizontally)
5	Kerbs (including on structures)	Misaligned/ chipped/ cracked	50mm horizontally
		Loose/ rocking	25mm vertically
		Missing	Defect present or not

Item	Highway description	Defect	Investigatory level
6	Verges	Sunken area adjacent to and running parallel with carriageway edge	Depth 150mm
		Sunken area adjacent to and running parallel with footway	Depth 100mm
7	Iron works Includes: <ul style="list-style-type: none"> <input type="checkbox"/> Manholes <input type="checkbox"/> Catchpit <input type="checkbox"/> Gullies <input type="checkbox"/> Kerb outlet <input type="checkbox"/> Utilities covers and frames 	Gaps within framework (other than designed by manufacturer)	50mm carriageway 25mm footway 25mm cycle route
		Level difference within framework	25mm
		Rocking covers	25mm vertical movement
		Cracked/ broken covers	Defect present or not
		Worn/ polished covers	Defect present or not
		Missing covers	Defect present or not
		8	Flooding (including structures)
Substantial running water across carriageway likely to adversely affect the safety of highway users	Defect present or not		
Substantial running water across footway likely to adversely affect the safety of highway users	Defect present or not		
Property inundation	Defect present or not		
9	Drainage Includes: <ul style="list-style-type: none"> <input type="checkbox"/> Culvert <input type="checkbox"/> Highway ditch <input type="checkbox"/> Filter drain <input type="checkbox"/> Grip <input type="checkbox"/> Gully <input type="checkbox"/> Piped grip / kerb offset 	Substantial standing water adjacent to edge of carriageway likely to adversely affect the safety of highway users	Defect present or not
		Blocked gully (silted above outlet)	Defect present or not
		Collapsed/ blocked/ settled items or systems	Defect present or not
10	Road markings	Faded or worn markings	70% of surface area or less remains effective
11	Road studs	Missing and hole left in carriageway	Defect present or not
		Displaced item on carriageway	Defect present or not
		Defective item	Defect present or not

Item	Highway description	Defect	Investigatory level
12	Signs/ bollards/ lights/ traffic signals Includes: <input type="checkbox"/> Signs <input type="checkbox"/> Bollards <input type="checkbox"/> Illuminated signs <input type="checkbox"/> Pedestrian crossing lights <input type="checkbox"/> Lighting columns <input type="checkbox"/> Wall mounted street lighting <input type="checkbox"/> All other lighting units <input type="checkbox"/> Traffic signals <input type="checkbox"/> Traffic signal installation <input type="checkbox"/> Traffic signal furniture	Damaged or misaligned item causing a hazard	Defect present or not
		Missing item causing hazard	Defect present or not
		Lights/ signals not operating	Defect present or not
		Correctly/ malfunctioning signals pointing the wrong way	Defect present or not
		Signal lamp failure	Defect present or not
		Exposed wiring or damage which could result in cables exposed	Defect present or not
		Missing door to lamp column	Defect present or not
		Item missing	Defect present or not
13	Safety fencing and barriers Includes: <input type="checkbox"/> Fences and barriers <input type="checkbox"/> Pedestrian guardrails <input type="checkbox"/> Safety fencing <input type="checkbox"/> Boundary walls and fences	Item damaged or misaligned causing a hazard	Defect present or not
		Unstable item or section	Defect present or not
14	Hedges and trees	Unstable tree causing danger of collapse onto highway	Defect present or not
		Overhanging tree leading to loss of height clearance over carriageway, footway or cycle way	<2.1m over footways <2.4m over cycle ways <5.1m over carriageways

Item	Highway description	Defect	Investigatory level
15	Highways general	Street furniture missing/ damaged likely to cause a hazard	Defect present or not
		Oil/ debris/ mud/stones and gravel likely to cause a hazard	Defect present or not
		Obstructions in the highway	Defect present or not
		Obstructed sight lines	Defect present or not
		Ramps in carriageway to aid vehicular movement	Defect present or not
		Footway damage caused by vehicular access where no vehicle crossing	Defect present or not
		Scaffolding likely to cause a hazard	Defect present or not
		Skips likely to cause a hazard	Defect present or not
		Unprotected building materials on the highway	Defect present or not
		Abandoned vehicles likely to cause a hazard	Defect present or not
16	Other dangers to the public	Anything else considered dangerous	Dangerous item present or not
17	Carriageways and cycleways over/ on structures (see also 1 and 2 above)	Surface slippery	Defect present or not
		Failure of carriageway/ cycle way joints	Presence of loose materials/ bolts and so on that potentially could become dangerous missiles
		Subsidence of carriageway/ cycleway adjacent to structure	Defect present or not
18	Flooding regarding structures (see also 8 above)	Blockage of waterway resulting in flooding of adjacent properties or ground	Defect present or not
		Flooded subways following pump failure/drain blockages	Defect present or not

Item	Highway description	Defect	Investigatory level
19	Parapets on structures	Displaced, and missing components through damage and theft – rail, mesh, posts, bolts, and so on.	Defect present or not
20	Vandalism of structures	Deliberate damage, offensive graffiti, or fire damage	Defect present or not
21	Deterioration damage to bridge structures	Concrete, bricks and other material fallen from structure	Defect present or not
		Water leakage from structure	Defect present or not
22	Bridge strikes: Superstructure (Bridge deck impacts) Substructure (Pier & column impacts)	Damage	Defect present or not
23	Bridge signs: Weight restrictions Low clearances Width restrictions	Missing, damaged or obscured	Defect present or not

With regard to defects specified in the above table, particularly those covered under the “highway general” heading, many are the responsibility of individuals or organisations and not the highway authority. If urgent action is required the inspector shall take the necessary steps required to make the defect safe and shall then pass on the relevant information to the section or department or organisation which is responsible for overseeing that particular activity.

3.3. Risk Management

Once a defect has been identified and recorded, the risk it presents needs to be established. This document is for guidance only and the risks contained in the register are based on the highest assumed risk attributable to the type of defect, position and assessed type of usage. Local knowledge could assess the risk differently. The position of the defect on the carriageway is also of significance and will inform the assessment. Furthermore, it should be remembered that ultimately priorities outlined in **Chapter 2** will influence the programming of defects for remedial action.

Nevertheless, the basic principles for risk impact and probability in the register are:

- The greater the extent of the defect, the greater the impact;
- The greater the traffic flow, the higher the probability.

Clearly other factors, such as traffic speed, will have a key bearing on any assessment of the severity of the impact. Similarly, other factors will bear on the probability, such as the location on the highway of the defect. The training of inspectors and their expert judgement will be critical during this phase of the work.

The impact of a risk should it become an incident will be quantified on a scale of 1 to 4 as follows:

- Little or negligible impact;
- Minor or low impact;
- Noticeable impact;
- Major, high or serious impact.

The probability of a risk occurring will be quantified on a scale of 1 to 4 as follows:

- Very low;
- Low;
- Medium;
- High.

The risk factor for a particular risk will be based on the product of the risk impact and the risk probability, as shown in **Figure 6**.

Figure 6: Risk Assessment

Impact	Probability			
	Very low (1)	Low (2)	Medium (3)	High (4)
Little or negligible (1)	1	2	3	4
Minor or low (2)	2	4	6	8
Noticeable (3)	3	6	9	12
High (4)	4	8	12	16
Response category	Review condition at next	P3	P2	P1

As shown in **Figure 7**, defects are defined in two categories:

- Priority 1 – those that require urgent or prompt attention because they represent an immediate or imminent hazard or because there is a risk of short-term structural deterioration, including potholes greater than 50mm in depth.

Priority 1 defects should be repaired/ made safe at the time of inspection, if reasonably practicable. In this context, making safe may constitute displaying warning notices, or using cones or barriers to protect the public from the defect. If it is not possible to correct or make the defect safe at

the time of inspection, temporary or permanent repairs should be undertaken within 7 working days. The timescale for carrying out the permanent repair will be dependent upon the status of the defect following completion of the temporary repair.

Where defects with potentially serious consequences for network safety are made safe by means of temporary signing or repair, a special inspection regime should be implemented to ensure that the signing or repair is maintained until a permanent repair can be undertaken.

- Priority 2 – Make safe or repair within 2 working days from the time the defect is assessed on site by an inspector where this is practicable (where the site can be accessed safely within this time period) on traffic sensitive/strategic routes. If the defect is on the Local Roads network the response will be a make safe or repair within 7 working days from the time the defect is assessed on site by an inspector.

Where a Priority 1 or Priority 2, as referenced above, requires a 'follow up' treatment to undertake a permanent repair, this will be undertaken within seven working days of the completion of the 'make safe' irrespective of whether it is on a traffic sensitive/strategic routes or Local Roads hierarchy. The exception to this will be where the permanent repair can be accommodated via planned works.

- Priority 3 – There will be a presumption NOT to undertake a repair within a stated time period. In the case of Local Roads where a Priority 3 has been identified in response to a customer enquiry, this issue of NOT to undertake a repair within a stated time period will be addressed through appropriate wording in the reply. For example, wording such as (but not specifically): There are currently no plans to undertake repairs to this road. However, the defect you have reported will be monitored for purpose of safety, and where deemed necessary dealt with as part of a planned maintenance scheme in due course
- Priority 4 – Undertake a repair within a stated time period. Defects categorised as P4 are considered to be low priority, meaning that either or both the likelihood of interaction and resulting risk is low. Therefore defects categorised as P4 will be either considered for repair when planned resurfacing works take place.

Figure 7: Response Times³

Risk factor category	Response
Priority 1	Make safe or repair within 2 hours
Priority 2	Repair within 7 days
Priority 3	Repair within the financial year
Priority 4	Repair as resources become available, or include within a planned maintenance programme, or schedule more detailed inspection, or review condition at next inspection

The register incorporates defects which may not be the responsibility of the highway authority such as utility trench reinstatements and iron works, as well as hazards caused by third parties such as obstructions in the highway or dangerous scaffolding. Although the inspector must ensure that all relevant information is notified directly to the third party concerned or to the appropriate person or section dealing with the matter, they must also satisfy themselves that the authority's obligations in respect of duty of care are fully met. This means that when such hazards are deemed dangerous, the inspector or maintenance engineer must ensure that the site is made safe within the required time by the council or its contractors.

The reactive maintenance regime for street lighting faults differs to the response times shown in **Figure 7** above, and should generally follow the guidance provided in *Well Lit Highways*, the relevant Code of Practice. For Thurrock, the standard will be that faults shall be attended to and repaired within seven days unless otherwise agreed with the Area Lighting Engineer. Typical standard response times will be:

- Emergency fault/ Road Traffic Accident – 2 hours;
- Non-emergency faults requiring the replacement of mandatory traffic signs, illuminated traffic bollards, belisha beacons, and school flashing warning signs including those made safe as emergency faults – 24 hours;
- Non-emergency faults requiring the removal from apparatus of any offensive and/or racist graffiti – 24 hours;
- Unlit street light, removal of other graffiti or apparatus, non-emergency faults requiring the replacement of complete unit of apparatus or components of the apparatus, – 7 days.

4. Condition, Service Inspections and Standards

Many of the defects identified by safety inspections are rated as priority 2, and so primarily about serviceability rather than considered dangerous. These are then programmed accordingly. Other maintenance works that get programmed arise out of service inspections or condition surveys.

Well Maintained Highways recommends a move toward proactive service

³ Street lighting may differ

inspections rather than just simply safety inspections. The purpose being to intervene earlier at a point in the asset deterioration cycle such that overall the intervention is better value for money; a stitch in time saves nine.

Whether or not to carry out service inspections, and the extent of those inspections, is entirely discretionary. Thurrock Council intends only to carry out or move towards service inspections where there is a clear value for money benefit. Currently, service inspections or condition surveys are carried out for carriageways, footways, bridges, Public Rights of Way, street lighting and verges only. The aim is to extend this approach to drainage, as outlined in **Section 4.6**.

4.1. Carriageways and Footways

The most significant financial investments in highway maintenance are the repairing, reconditioning and reconstruction of highway pavements, in particular those of carriageways. Condition surveys identify the current condition of the network and from this both long-term and short-term maintenance funding decisions can be made. Repeatable machine surveys allow trend analysis to be used to confirm the original decisions, assess rates of deterioration and allow for changes to be made in strategy and approach as a result of the changing network condition. Condition data is not a replacement for sound engineering knowledge, but simply an enhancement to it.

The Council is committed to targeting maintenance in order to maximise resources, and the results of the surveys provide valuable information about surface and structural condition which highlights the areas of greatest need. Results from condition surveys enable:

- Sections of carriageway/footway that require further or detailed investigations to be identified with a view to implementing remedial maintenance measures;
- Engineers to use the information to support their local maintenance planning process and engineering knowledge;
- Data to be used in higher level decision making such as budget setting.

The Council aims to carry out condition surveys on the network, as shown in **Figure 8**. The survey methods currently used include:

- Coarse visual inspections (CVI);
- Detailed visual inspections (DVI);
- Skidding resistance survey (Scrim);
- Machine-based surface condition surveys (SCANNER);
- National Road Maintenance Condition Survey (NRMCS).

The frequency may vary depending on available resources, which will be determined annually. Ideally, survey should be carried out at the higher end of the frequency range. Surveys at the lower end of the frequency range should not be continued for long as it may result in higher costs in the long term as required structural works may not get programmed in a timely way.

Figure 8: Condition surveys

Asset	Survey method	Coverage	Frequency	Data used for
Principal carriageways	Scrim	50-100%	Annually, so 100% every 1-2 years. Also as informed by skidding accidents	Identifying sites where skidding resistance is below a defined level (see Figure 9)
Principal carriageways	CVI, Scanner	50-100% for each method	Annually, so 100% every 1-2 years	Identifying sites for potential maintenance funding needs
B and C carriageways	CVI, Scanner	50-100% for each method	Annually, so 100% every 1-2 years	Identifying sites for potential maintenance funding needs
Unclassified carriageways that are part of implemented core cycle routes	CVI	33-50%	Annually, so 100% every 2/3 years	Identifying sites for potential maintenance funding needs
Other unclassified carriageways	CVI	33%	Annually, so 100% coverage every 3 years	Identifying sites for potential maintenance funding needs
Classified network	NRMCS	Various sites	Annually	Identifying sites for potential maintenance funding needs
Category 1 and 2 footways (see Figure 4)	DVI	33-50%	Annually, so 100% every 2/3 years	Identifying sites for potential maintenance funding needs

For the purposes of assessing skid resistance on the council's road network, the investigatory levels set out in the *Design Manual for Roads and Bridges: HD28/15 Skid Resistance* will be applied, see **Figure 9** which has been replicated from that document.

Figure 9: Skid Resistance

Site Category and definition		IL for CSC data (Skid data speed corrected to 50km/h and seasonally corrected)							
		0.30	0.35	0.40	0.45	0.50	0.55	0.60	0.65
A	Motorway								
B	Non-event carriageway with one-way traffic								
C	Non-event carriageway with two-way traffic								
Q	Approaches to and across minor and major junctions, approaches to roundabouts and traffic signals (see note 5)								
K	Approaches to pedestrian crossings and other high risk situations (see note 5)								
R	Roundabout								
G1	Gradient 5-10% longer than 50m (see note 6)								
G2	Gradient >10% longer than 50m (see note 6)								
S1	Bend radius <500m – carriageway with one-way traffic (see note 7)								
S2	Bend radius <500m – carriageway with two-way traffic (see note 7)								

The darker shading indicates the range of investigatory level that will be used for roads carrying significant traffic levels, as suggested in the Design Manual for Roads and Bridges. In addition, for Thurrock the dark shading investigatory level will be used for the following parts of the network:

- Economically Important Routes;
- Implemented core cycle routes;
- In the vicinity of schools.

The light shading indicates a lower investigatory level that will be appropriate in lower risk situations, such as low traffic levels or where the risks present are well mitigated and a low incidence of accidents has been observed. Exceptionally, a higher or lower investigatory level may be assigned if justified by the observed accident record and local risk assessment.

4.2. Lighting

Lighting systems will be subject to a process of preventative maintenance carried out on a cyclical basis to help reduce or eliminate failures and to ensure the system is operating at its intended design outputs. Cyclic maintenance is the main tool in the management of preventative maintenance, forestalling poor performance and failure of the installation. A well-designed cyclic maintenance programme will help to prevent the performance of the installation falling below the designed level; will identify any mechanical, structural, electrical or optical work necessary to maintain or increase the life of the installation; reduce the incidence of faults by preventative maintenance; and check that the installation is safe.

The four main areas for cyclical maintenance are:

- Programmed structural inspections and testing. This covers visual inspections;
- Programmed electrical inspection and testing. This covers all aspects of

testing public lighting equipment and the associated cabling of non-metallic columns, signs and bollards, and the non-destructive testing of steel columns. The data is used to inform replacement plans and the next programme of testing;

- Programmed group lamp replacement and cleaning. The approaches to bulbs are either to replace them when they fail (burn to extinction) or carry out group lamp replacement (“bulk clean and change”), under which all lamps of a particular type in a particular area or street are replaced (and the luminaires, photocells etc. cleaned) at the same pre-defined time. It has traditionally been accepted that group lamp replacement is the most cost effective approach;
- Programmed painting.

Figure 10: Lighting surveys

Type of maintenance	Frequenc
Electrical testing	Every six years
Structural – visual inspections	Every three years
Structural – non-destructive testing of	Every six years
Bulk clean and change	To be carried out at the relevant burning hours/ time scale for the type of lamps
Painting	As required to maintain structural integrity of the column.

If there are insufficient resources for the above programme maintenance works, the bulk changing programme will be suspended and a reactive approach will be adopted. However, this will not apply to illuminated traffic signs and bollards. Due to the legal requirements for the illumination of certain traffic signs, the minimum service will be a bulk replacement for illuminated traffic signs and bollards. Furthermore, if funding permits, a limited programme of bulk replacements could be followed taking account of the need for lighting:

- Around crime hotspots;
- In town centres;
- Around car parks;
- On inter-urban bus routes;
- On Economically Important Routes;
- On Core Walking and Cycling Routes;
- Around other sensitive areas such as hospitals.

Where a reactive maintenance approach is adopted, this should not be continued for too long as the costs will be higher in the longer term.

Cleaning, whether of street lights, bollards etc. will be carried out at the same time as bulk replacement. If reactive maintenance (burn to extinction), cleaning will be carried out at replacement. Cleaning will also take place as a result of safety inspections and associated risk assessment.

Opportunities have been sought to reduce the lighting maintenance burden. This will reduce maintenance demands as the bulbs will last longer (other benefits include lower energy costs and reduced CO₂ emissions). It will also consider the cost benefits of using longer-life bulbs when undertaking group lamp replacement. In the medium term the Council will move towards lower energy lighting, such as LED bulbs, as the affordability becomes more attractive. These bulbs use 50%-90% less energy than conventional bulbs, therefore saving a similar amount of CO₂. Although more expensive at the outset, the payback period of LED bulbs is likely to be relatively short as the cost will be offset by on-going energy cost savings. Additionally, LED bulbs can last up to 12 years. This will significantly minimise the on-going maintenance costs of the street lighting and traffic signal programme. By the end of 2017, all street lights and items of street furniture will contain LED bulbs.

4.3. Bridges

All bridges will have a general inspection every three years. Principal inspections will be undertaken on a needs basis, based on the outcome of the general inspections, with priority given to those bridges on primary and principal routes, especially Economically Important Routes, and other identified major bridges (such as where HGV flows are high).

All bridges requiring maintenance will be subject to a risk assessment before funding is allocated. Whilst priority will normally be given to improving and maintaining structures on Economically Important Routes and the Principal road network, funding will also be allocated on a needs approach. Old style post and rail parapets will be replaced as and when funding permits. Further detail is in the relevant Code of Practice.

4.4. Verges

The Figure below sets out the details of numbers of cuts per year assuming average growth rates. Limited additional cutting may be required at times of exceptional growth when road safety may become a factor.

Figure 11: Verge Maintenance

Location description	Standard of grass cutting
Urban areas: sections of road subject to speed limits of 30mph or less, and primarily at visibility splays, sight lines and traffic signs.	Full highway verge width – one cut a year. Additional cuts may be undertaken, based on risk assessments, when grass exceeds 150mm height. Particular consideration should be given to visibility splays, sight lines and traffic signs.
Rural verges: sections of road subject to speed limits greater than	Full highway verge width – one cut a year.
primarily at visibility splays, sight lines and traffic signs	Additional localised cutting may be undertaken where required for safety reasons. Particular consideration should be given to visibility splays, sight lines and traffic signs
Verges that are part of the Thurrock Greengrid network/ biodiversity action plans/ environmental management plans, or in/ adjacent to local/ national nature conservation designations	Single cut of first 1 metre swathe in the Spring plus other cuts at other times of the year timed to benefit particular plants, to encourage a diversity of grassland plants and prevent overgrowth of scrub. Other arrangements might be required to align with other environmental plans, including no routine cutting or just cutting in spring

4.5. Public Rights of Way

Maintenance of the Public Rights of Way network in Thurrock follows a proactive managed approach. The proactive inspection and maintenance programme covers 20% of the network each year on a rolling programme basis. Survey data assesses whether they are easy to use by members of the public. This approach ensures the identification of works for inclusion in scheduled works programmes. The programming of work is detailed in the *Rights of Way Improvement Plan*.

4.6. Drainage

Large swathes of Thurrock are in Flood Risk Zone 3. The need for good drainage in Flood Risk Zone 3 is important as there will be an increase in flood incidents. Floods cause inconvenience and safety issues, but also long term structural damage to the highway, potentially resulting in disproportionate costs overall. Given the vulnerability to flooding in Thurrock there is a need to move towards a more

proactive inspection regime for drainage.

Drainage systems will be inspected in accordance with **Figure 12** below.

Figure 12: Drainage Service Inspection Regime

Drainage element	Frequency
Gullies, catchpits, interceptors, soakaways, manholes, kerb offlets, culverts less than 915mm diameter, piped drainage, grips, ditches and outfalls	Inspected, where practicable, with highway safety inspections. Maintained reactively to address highway drainage problems. Frequencies will vary, depending on susceptibility of location to flooding risk.

Ad hoc service inspections may be taken in the event of reports of flooding being received from the public or the emergency services.

4.7. Other parts of the highway

The following asset groups will not receive any form of proactive detailed service inspection but will be covered by the routine safety inspections and a reactive approach will be taken to rectifying problems:

- Embankments;
- Trees and hedges;
- Traffic signals⁴;
- Road markings, signs, and road studs;
- Safety fences.

In the short to medium term, it is unlikely that such proactive service inspections will be affordable; especially as the value for money benefits seem more marginal. Some local highway authorities do currently carry out proactive maintenance practices, such as replacing all traffic signal bulbs every six months. However, some of these efforts, such as with the example given, could be considered both a poor use of resources and environmentally unsustainable.

5. Winter Service

The Winter Service comprises operations to apply salt or other de-icing materials to the highway in anticipation of, or to assist in the removal of, snow or ice. This also includes the use of snow ploughs in the removal of snow.

The winter maintenance service covers the monitoring of weather conditions to determine when ice and/or snow are likely to affect the adopted public highway. If ice and/or snow are anticipated the service covers the application of de-icing materials to the identified roads to prevent ice forming. Where ice and/or snow have formed on the highway it also includes treating the identified roads to assist in making them safer to use.

⁴ Bulk changes may be implemented at traffic signals in the vicinity when a light is being replaced in a signal in response to a defect or fault.

It is important to note that due to funding availability and the level of specialist plant and staff that have to be maintained on standby for infrequent weather events it is not practicable to provide the service to all parts of the network and ensure/guarantee that all running surfaces are kept free from ice or snow including those parts of the network that receive treatment.

It is therefore important to prioritise routes for treatment, either for precautionary treatment or to treat actual ice or snow. Which routes get treated will depend on many factors, such as funding and the availability of salt. This is detailed in the Winter Maintenance Plan which is up-dated annually and operates in accordance with the latest Code of Practice.

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Appendix A: Further Review of Highway Policy Guidance and Standards

This document will ultimately comprise Part 1 of Thurrock Council's comprehensive *Policy Guidance and Standards for Highway Maintenance and Network Management*. Part 2 will focus on highway network management, especially the operation and improvement of the highway, and is likely to include the following policy areas. Depending on level of detail required it may be necessary to produce a volume 2 and volume 3. In which case the higher priority items will form Volume 2 and the remainder will be prepared as a volume 3.

Primary Highway Management Area	Secondary Highway Management Area
Access restrictions	General vehicular access Heavy commercial vehicle access
Accident cluster sites	Site selection Accident score
Bus Lanes and Bus Gates	Permitted vehicles
Bus stops	Bus stop provision
Cycling facilities	Width standards Advance cycle stop lines
Drainage	Soakaways
Events on the highway	Temporary road closures Unauthorised encampments
Fencing and guard railing	Pedestrian guard railing Safety fencing
Gating orders	Legislation Criteria Review period
Highway charge	Charges Commuted Sums Costs of licences
Kerbing	Provision
Miscellaneous	Abandoned vehicles on the highway Banners across the highway Festive lights and decorations over the highway Memorials and floral tributes on the highway Mirrors on the highway Mud on the highway Pedestrian dropped kerbs Religious symbols on the highway Tables and chairs on the highway Trading on the highway Third party funding of highway features Unauthorised lay-bys Vehicular accesses Vehicles advertised for sale on the highway

Primary Highway Management Area	Secondary Highway Management Area
Oversail	Cranes Signs
Parking	Responsibility and objectives Waiting restrictions Access protection Designated parking bays Disabled parking bays Heavy commercial vehicles Verge Parking
Pedestrian crossings	Crossing type
Road adoptions	Adoption Inspections Parking controls Surety Industrial estate roads Making up of private streets
Road closures	Temporary road closures Alternative routes Stopping up of the highway
Road markings and studs	Standards Provision Studs Conservation areas
Safety Audit	Standard
School Crossing Patrols	Provision Remit Privately-funded School Crossing Patrols Criteria
Speed limits	Application of policy 20 mph speed limits Temporary speed limits
Street furniture	Bollards and marker posts Hanging baskets Planters, litter bins and seats
Street lighting	Provision of lighting
Traffic calming	Design Features
Traffic signs	Design Interactive signs School flashing amber lamps Sign posts Signing to business or retail premises Temporary direction signs to commercial events Temporary direction signs to community events Temporary direction signs to new housing developments Tourist signing Unauthorised signs Warning signs

Primary Highway Management Area	Secondary Highway Management Area
Traffic signals	Provision New installations
Traffic regulation orders	Procedure Private roads Temporary traffic orders
Trees on the highway	Planting on the highway New developments
Verges	Provision Planting

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Appendix B: Glossary of Terms

Asset Management: A strategic approach that identifies the optimal allocation of resources for the management, operation, preservation and enhancement of infrastructure, to meet the needs of current and future customers

Authority: All forms of national and local authority having a responsibility for maintenance of the highway

Backlog: The work needed to arrest deterioration and restore the network to a pre-defined condition, which is then maintained at a steady state

Bridleway: A Public Right of Way open to all traffic except motorised vehicles and motorcycles

Byway: A Public Right of Way open to all traffic including motorists and motorcyclists

Carriageway: Facilities used by motor vehicles, motorcyclists and cyclists

Cycle Route: Collective term for all segregated facilities used by cyclists

Footway: Segregated surfaced facilities used by pedestrians which is immediately adjoining a carriageway

Footpath: A highway over which the public have a right of way on foot only – excludes motor vehicles, horses, carriages and cycles (meaning a type of Public

Highway: Collective term for publicly maintained facilities laid out for all types of user, and includes for the purpose of this document, roads and streets

Investigatory Level: The standard of asset condition below which the need for treatment should be considered

Maintenance Type: The nature of planned maintenance response, for example reactive, routine or programmed

Maintenance Category: The nature of maintenance work undertaken, for example, cleansing, patching, resurfacing etc.

Network Management: A plan that sets out how the network should be managed to meet the requirements of the Traffic Management Act and improve co-ordination between stakeholders in delivering works programmes

Programmed Maintenance: providing larger schemes primarily of resurfacing,

reconditioning or reconstruction to a planned schedule

Public Right of Way (PROW): A way over which the public have a right to pass and re-pass. By convention excludes roads normally used by motor vehicles

Reactive Maintenance: Responding to inspections, complaints or emergencies

Regulatory Maintenance: Inspecting and regulating activities of others (much of this work will be undertaken by the Traffic Manager under the new statutory duty for network management)

Remote Footway: Segregated surfaced facility used by pedestrians not immediately adjoining a carriageway

Road: See highway

Routine Maintenance: Providing works or services to a regular consistent schedule, generally for cleaning and landscape maintenance

Safety Inspection: Inspections to identify all defects likely to create danger or serious inconvenience to users or the wider community

Service Inspection: Inspections to identify all defects likely to compromise serviceability

Service Request: Communication seeking information, inspection or maintenance activity

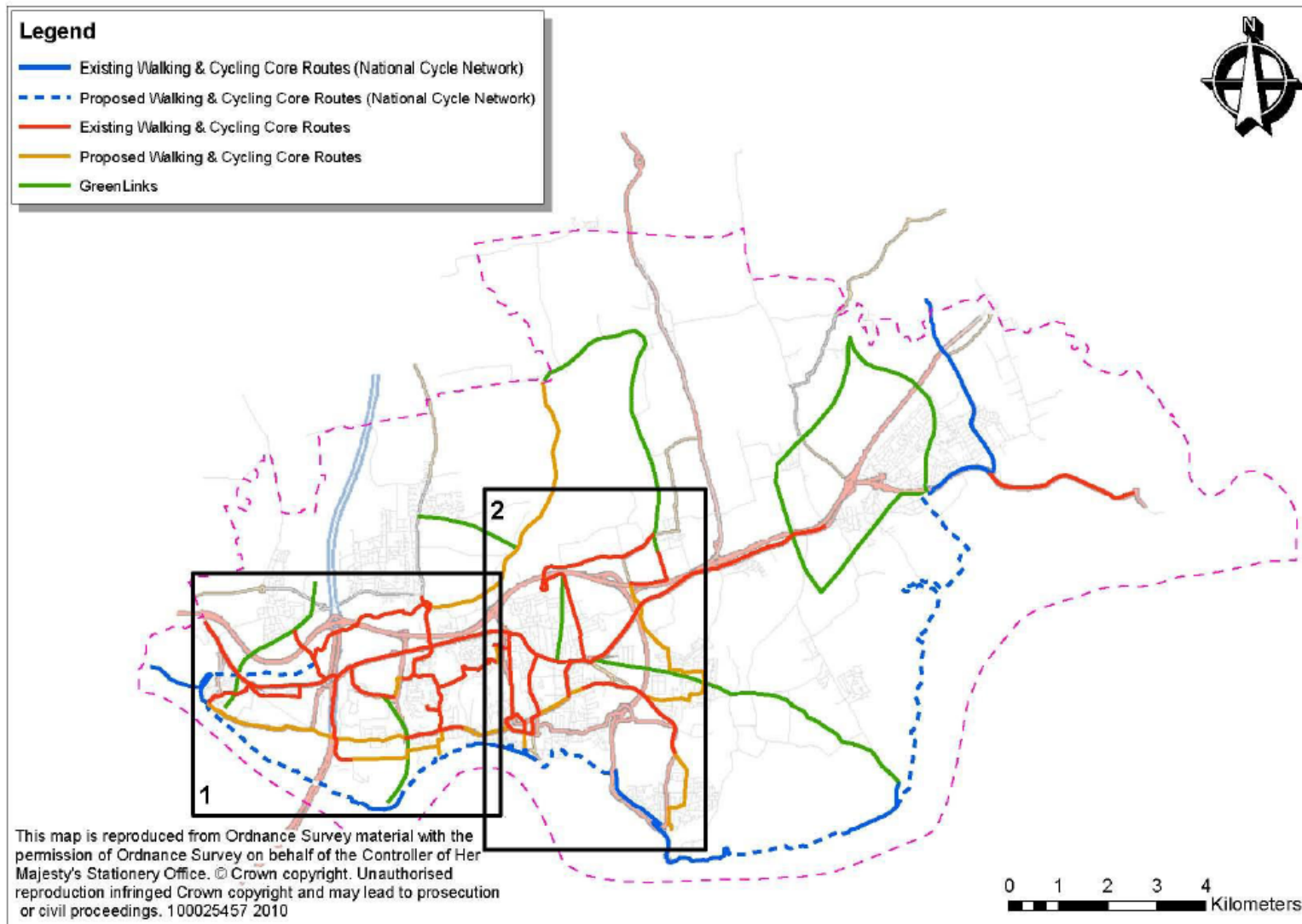
Street Lighting: A system of lighting illuminating streets, footways, footpaths, cycle tracks and pedestrian subways open to public access

Structural Condition: A number in the range 0 to 100 which defines the Index relative condition of the highway. Higher numbers reflect increasing deterioration

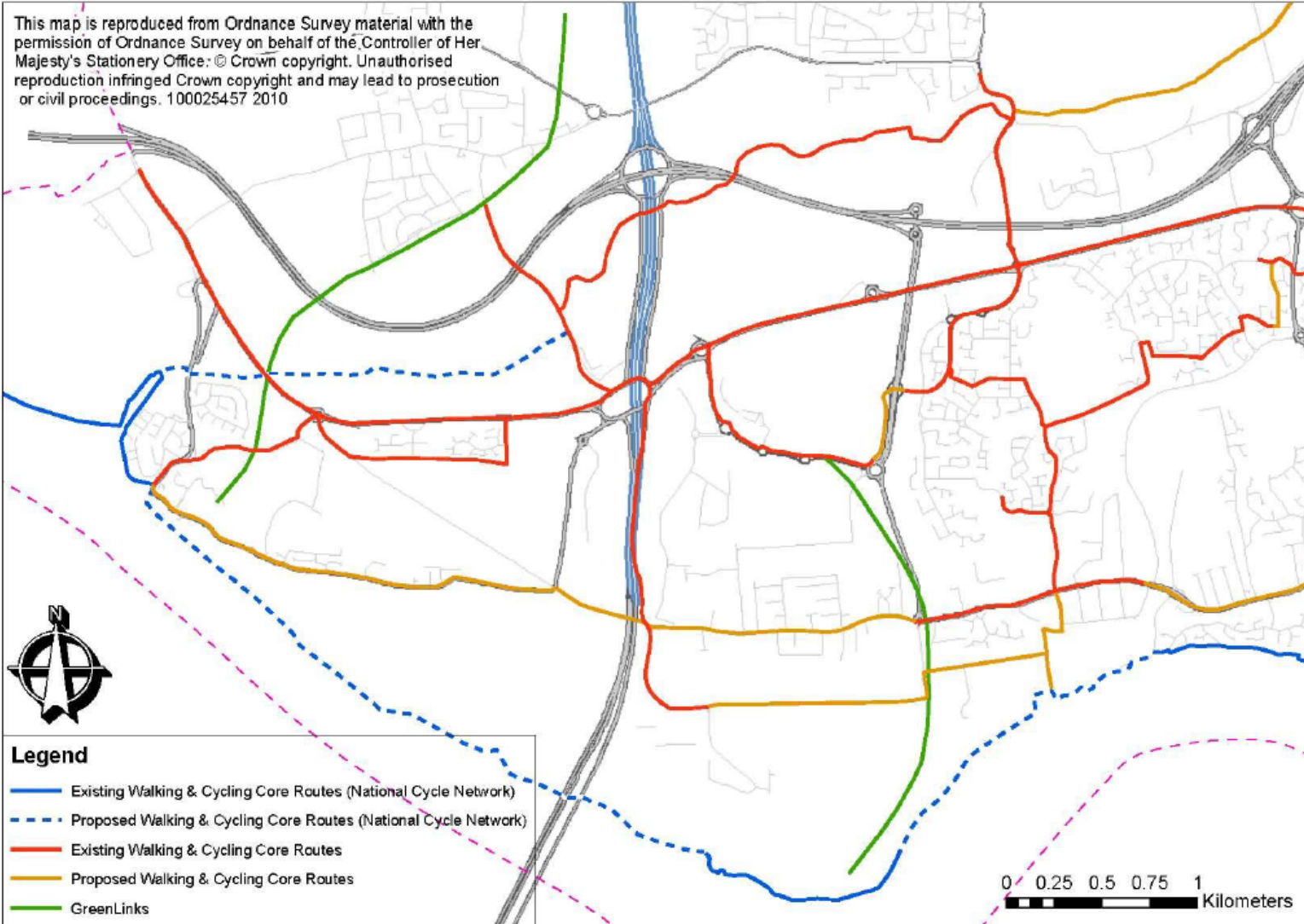
Winter Service or Winter Maintenance: Providing salting and clearance of snow and ice

Appendix C: Maps

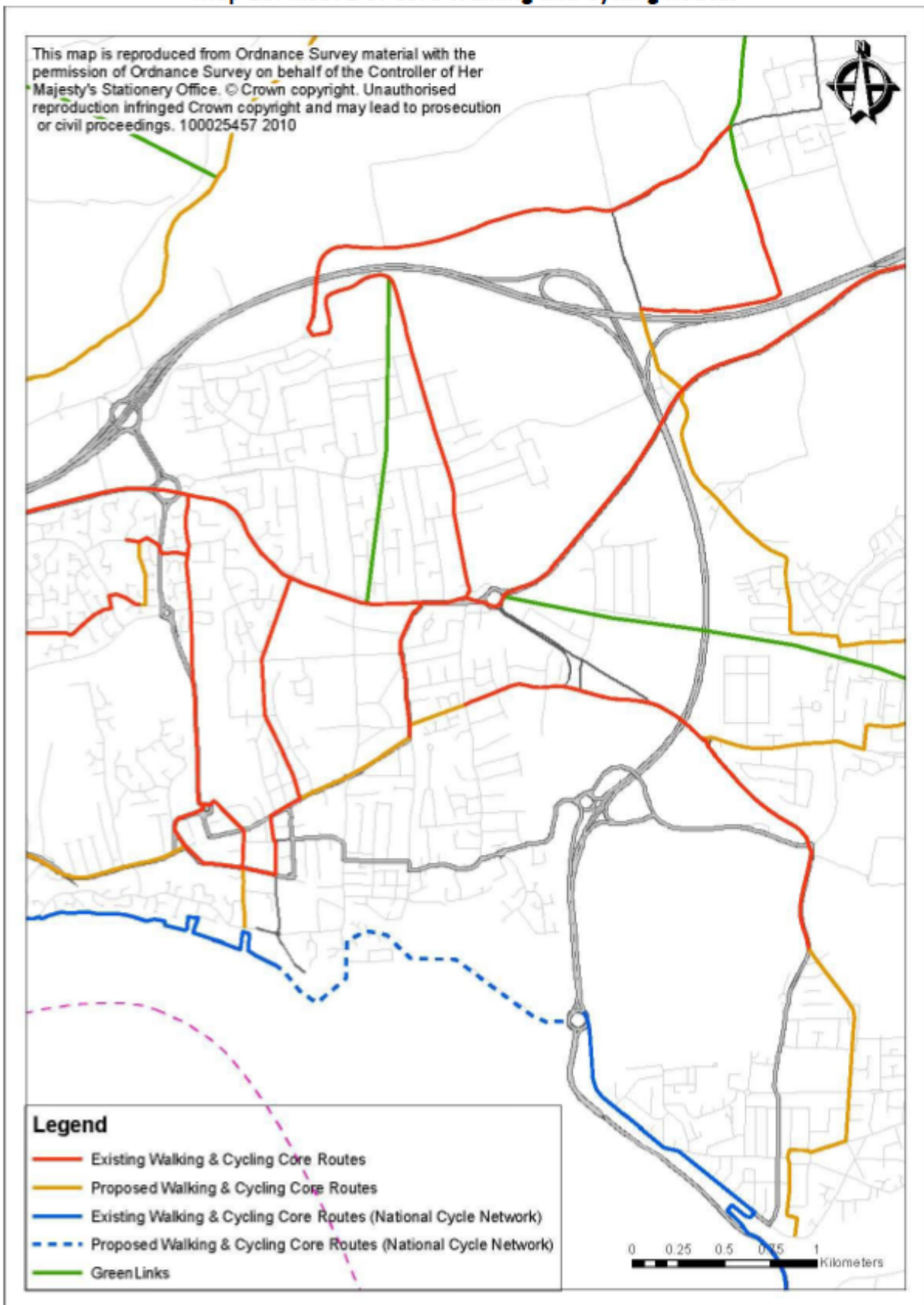
Map 1: Thurrock Core Walking and Cycling Routes



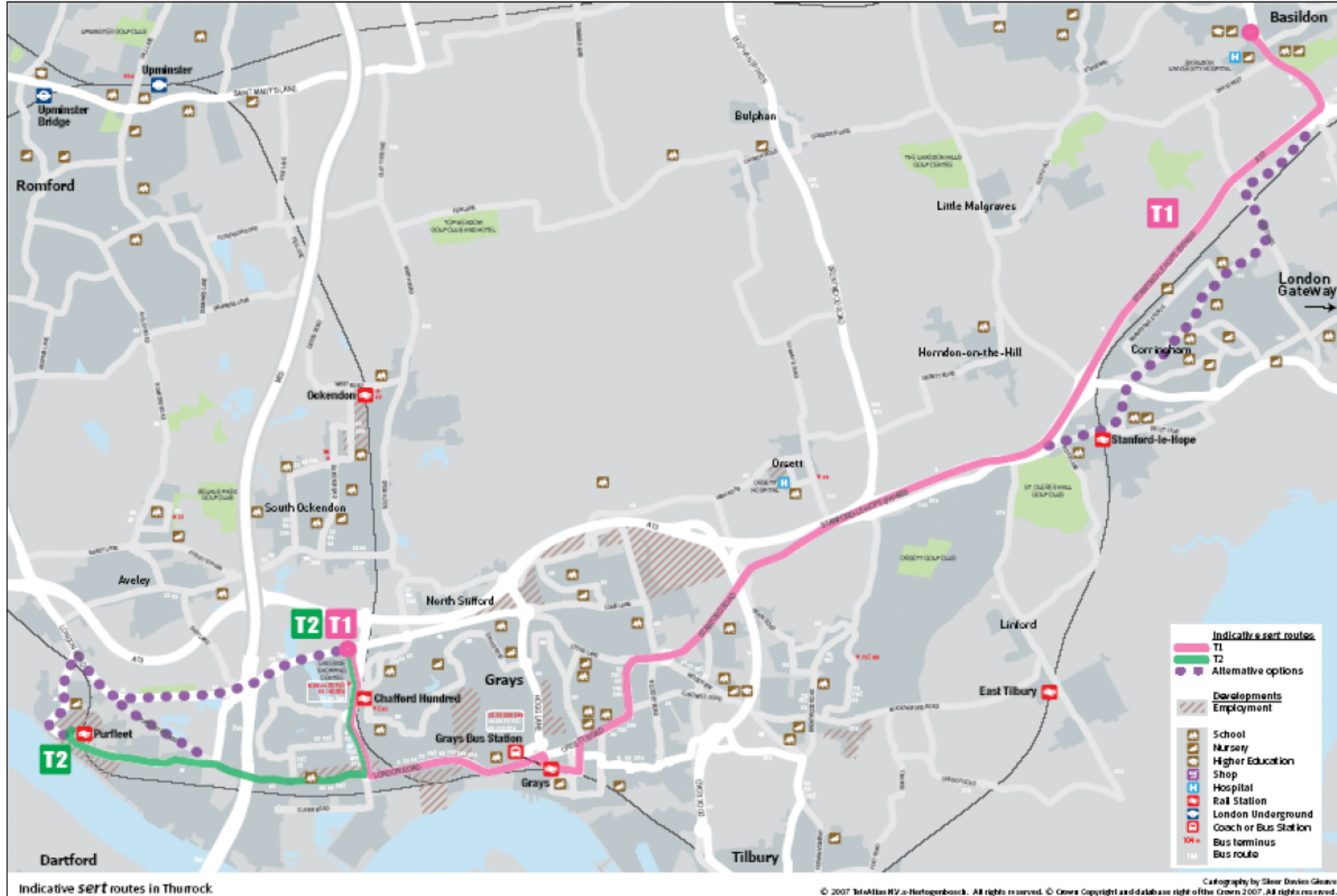
Map 1a: Inset 1 of Core Walking and Cycling Routes



Map 1b: Inset 2 of Core Walking and Cycling Routes



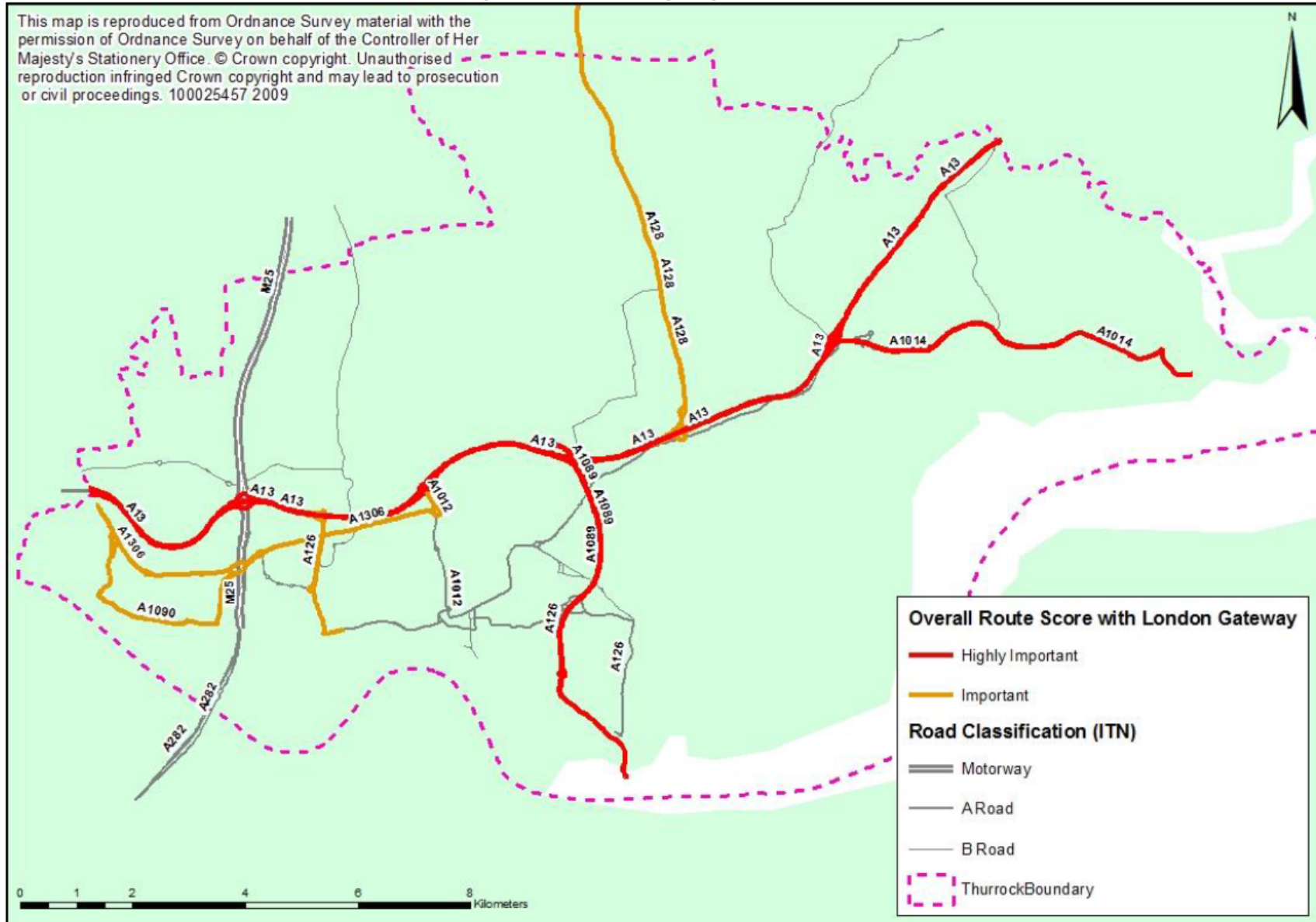
Map 2: Proposed SERT Route in Thurrock



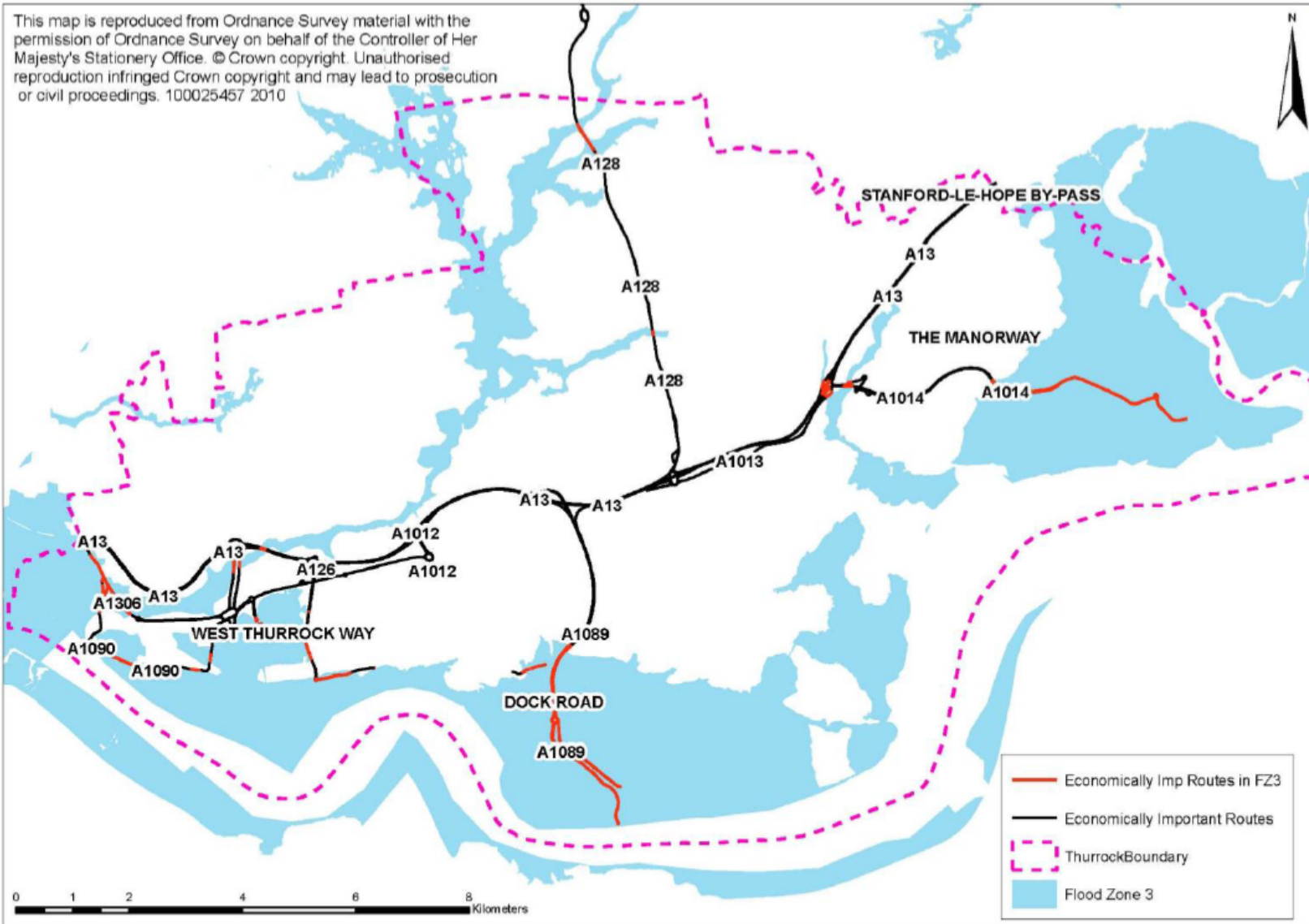
Source: South Essex Rapid Transport, <http://www.sert.org.uk/area.asp>

Map 3: Economically Important Routes

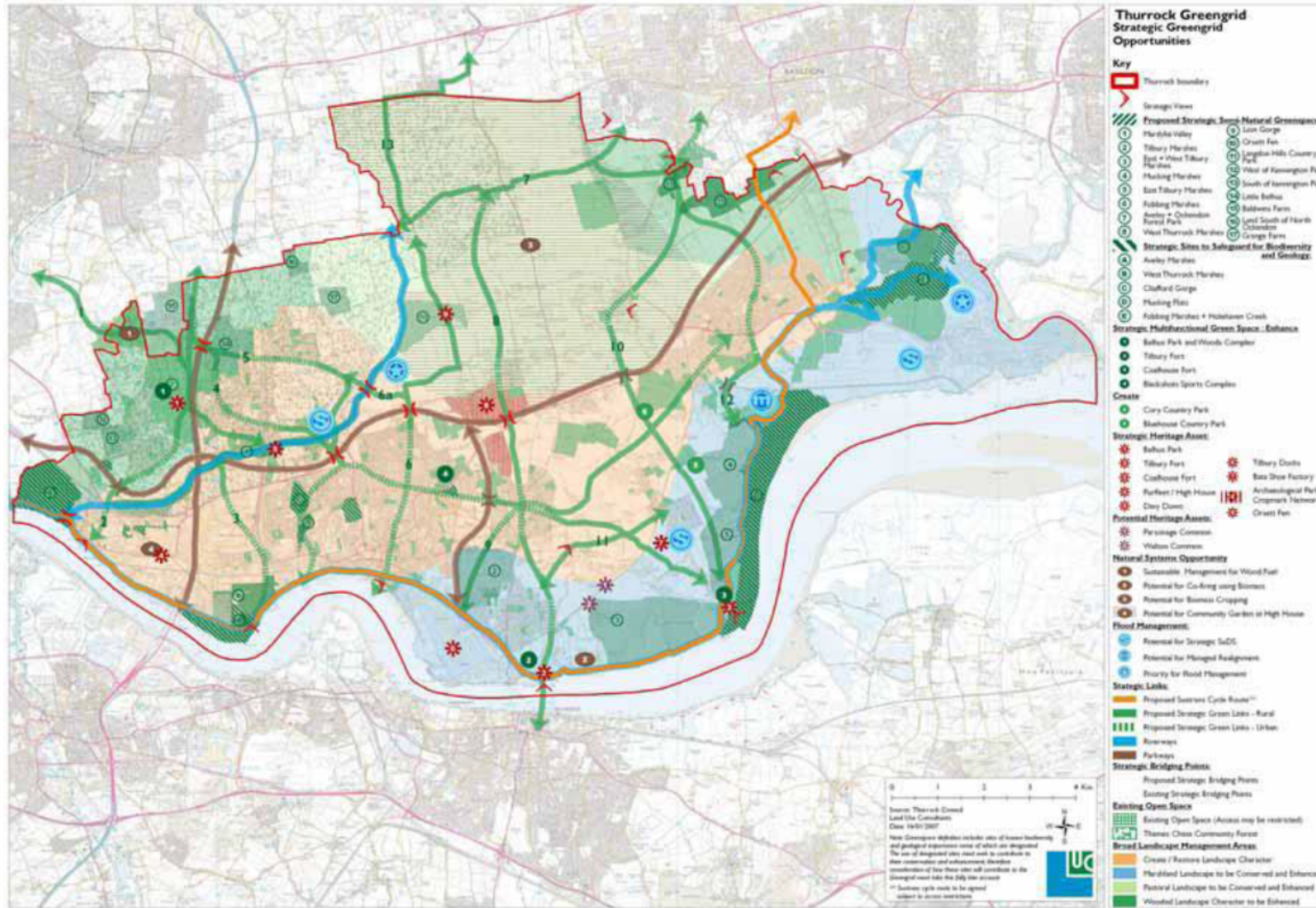
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Map 4: Economically Important Routes within Flood Risk Zone 3

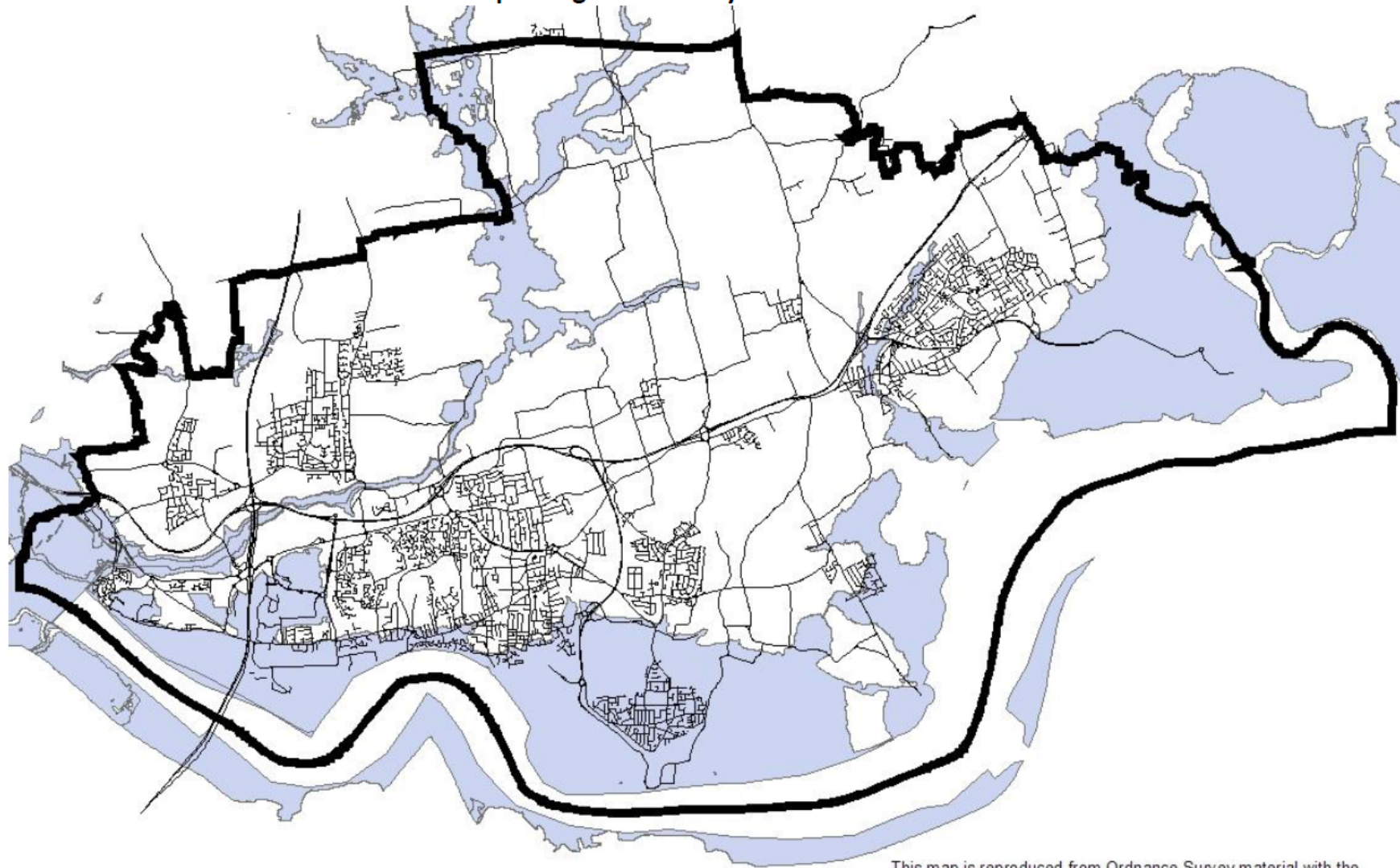


Map 5: Thurrock Greengrid Strategic Opportunities for Sustainable Drainage Systems



Source: Thurrock Council, Green Infrastructure Framework Plan

Map 6: High Probability Flood Risk Zone 3



Flood Risk Zone 3

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7 September 2016	ITEM: 11 Decision 01104380
Cabinet	
Quarter 1 Revenue Budget Monitoring and Council Spending Review Update	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Shane Hebb, Portfolio Holder for Finance & Central Services	
Accountable Head of Service: Sean Clark, Director of Finance and IT	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is public	

Executive Summary

This report provides an update on the forecast 2016/17 outturn position as at the end of June 2016 and summarises the main changes to the MTFS for the period 2017/18 through to 2019/20.

The report also sets out the governance structure for the Council Spending Review and Transformation Programme, including the budget planning table enabling agreement of the budget in February 2017.

1 Recommendation(s)

- 1.1 That Cabinet note the forecast outturn position for 2016/17 and agree that £1.125m of the growth allocation be vired to Adults, Housing and Health in line with the Adult Social Care Precept;**
- 1.2 That Cabinet agree the funding of £0.260m for the Clean it, Cut it, Fill it pilot;**
- 1.3 That Cabinet note the revised MTFS position, including any adjustments for an increase to the General Fund Balance;**
- 1.4 That officers bring forward savings in excess of the MTFS forecast deficit to give Members choice around further investment initiatives, such as the Clean It, Cut It, Fill It initiative of Summer 2016; and**
- 1.5 That Cabinet agree the Council Spending Review approach and timetable.**

2 Introduction and Background

- 2.1 In February 2016, Council agreed the General Fund budget for 2016/17 as part of the MTFS. Whilst no additional budget savings to front line services were proposed, the 2016/17 budget does include previously agreed savings of £3.391m (see Appendix A). In addition to this, income growth of £0.775m was agreed as part of the fees and charges report at February 2016 Cabinet. Current forecasts indicate that £2.611m of the £3.391m savings target will be delivered.
- 2.2 The table below shows that pressures of £8.623m have been identified and, with a growth allocation of £4.500m, required mitigating actions to be identified for the balance of £4.123m.
- 2.3 To fully understand the difficulty of achieving this, Members need to consider this in the context of the pressures that have already been managed, including:
 - 2.3.1 £93m in savings delivered since 2010;
 - 2.3.2 Already having to deliver £3.4m in planned and agreed savings in 2016/17; and
 - 2.3.3 Managing further pressures within the services in-year.
- 2.4 Current projections indicate a net over spend of £0.158m. Achieving this position is dependent on in-year mitigating action of £3.965m being delivered to manage existing financial pressures of £4.123m. The most significant pressure is within Children's Services. There continues to be risk in achieving this with ongoing demand pressure within Adults' and Children's Services causing significant financial pressure. Proposals include managing demand, further income generation, improving efficiency and reducing spend.
- 2.5 The position includes additional spend of £0.260m to enable the 'Clean it, Cut it, Fill it' initiative for a pilot period of 3 months funded through a one-off adjustment to the in-year funding of MRP. The pilot will then be used to determine any future funding required and the MTFS adjusted accordingly.
- 2.6 The table below summarises the net position by service area:

Service Area	Spend YTD £000	Full Year Budget £000	Forecast £000	Variance From Budget £000	Mitigating Action £000	Revised Variance £000
Adults, Housing & Health	9,021	32,271	33,748	1,477	(352)	1,125
Children's Services	18,195	29,630	35,167	5,537	(1,392)	4,145
Environment & Place*	5,948	34,455	35,944	1,489	(1,176)	313
Finance & IT	3,185	10,268	10,268	0	(400)	(400)
HROD	1,670	7,881	8,001	120	(120)	0
Legal Services	695	2,192	2,192	0	0	0
Commercial Services	214	610	610	0	0	0
Central Expenses	1,037	7,015	7,015	0	(525)	(525)
Growth Allocation	0	4,500	0	(4,500)	0	(4,500)
Total	39,965	128,822	132,945	4,123	(3,965)	158

2.7 * Figures within the Environment and Place line include an additional £0.260m for the Clean It, Cut It, Fill It pilot. Officers will continue to work with the Cabinet in closing this gap but have identified the use of capitalising part of the Minimum Revenue Provision (MRP) budget to meet the costs of the pilot should it be necessary.

3 Issues, Options and Analysis of Options

3.1 Quarter 1 position

3.1.1 Adults, Housing and Health

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
9,021	32,271	33,748	1,477	(352)	1,125

Adults, Housing and Health is forecasting an over spend of £1.477m before any mitigation. Within the directorate, the budget for Adult Services is £31.610m and further pressures of £0.352m have been identified at the end of Quarter 1. These have arisen through six extra dementia placements in June and two expensive learning disability placements. In addition, the service has had to allocate some additional resources to the Joint Reablement Team to meet some of the staffing concerns raised by the Care Quality Commission. The senior management team have examined the budget in detail and have introduced some corrective measures,

such as a freeze on all non-essential posts. However, it is important to note that the service is now forecasting a worsening position.

The Housing service has an agreed General Fund budget of £0.661m and is forecasting to spend to budget. Homelessness presentations are being closely monitored and remain an area of potential risk during 2016/17.

3.1.2 Children's Services

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
18,195	29,630	35,167	5,537	(1,392)	4,145

The projected pressure in Children's services is £4.145m net of identified action of £1.392m. The pressure on budgets is due to the following:

- The cost of placements – external placements for children continue to be a pressure, specifically in the cost of Independent Foster Care Agencies (IFA). Mitigating action is being taken to review IFA placements, and identify which children can be moved into in-house foster care. More foster carers are being recruited to avoid the use of IFAs.
- High cost residential placement costs have reduced as the service focuses on achieving better value and more appropriate placements for young people. There will continue to be a focus on reducing the number of placements and unit costs
- Pressures in staffing continue with the need to replace higher cost temporary staff with good quality permanent recruits. A fresh recruitment campaign has just been completed and which will support a reduction in agency staff.

The service continues to operate in an environment of increasing demand in terms of general population increases and high rates of unaccompanied asylum seekers. A number of mitigating actions have been identified to manage spend and both placements and staffing are the subject of the Impower review.

3.1.3 Environment & Place

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
5,948	34,455	35,944	1,489	(1,176)	313

The 2016/17 budget for Environment and Place is £34.455m. The service will need to manage pressure of £1.489m in order to breakeven. In-year mitigation of £1.176m has been identified resulting in a projected overspend of £0.313m. The position

includes additional spend of £0.260m to enable the 'Clean it, Cut it, Fill it' initiative for a pilot period of 3 months.

The Directorate has an agreed savings target of £1.520m of which £0.740m is forecast to be delivered. The variance of £0.780m relates to savings on the Thameside building and reducing grounds maintenance operations.

Environment:

There is significant pressure within Environment, however, the service is working towards mitigating the position in-year. This is primarily due to concerns that delivering the full grounds maintenance saving would require further post and service reductions which the service do not feel are sustainable, the additional cost in respect of additional town centre clean up requirements, higher National Insurance costs following classification changes and changes to recycling contracts.

Proposed mitigating action is primarily through reviewing staff costs such as holding posts vacant, reviewing agency spend, route mapping for more efficiencies and achieving a 2% increase in recycling.

There is an on-going review of enforcement services across planning, public protection, and highways to test for efficiencies and to strengthen the corporate enforcement function. Other options include a growth bid for new posts or employing specialist enforcement agencies which could result in a budget pressure

Highways and Transportation:

The service is currently forecast to spend to budget, however there are a number of challenges that will need to be managed in order to achieve this. The council is likely to be required to fund development costs for Stanford-Le-Hope Interchange up front in order to release funding from partners. This is in the region of £0.500m and will be funded through the subsequent release of funds.

Service provision for network management is being reviewed in light of increasing demands on the network and stakeholder frustration with existing arrangements. Requests have been received for business cases to be developed for further infrastructure bids, for which no budget is currently available. The newly established Congestion Task Force and Thurrock Road User Groups are both generating Action Plans which will need to be resourced.

Residents Services:

Current projections indicate an overspend of £0.100m – this relates to the Library service and follows on from the £0.569m budget saving applied in 2015/16. A full review of the library service is underway that will set out a long term vision for library facilities in the Borough, taking full account of plans for hubs. A review of the library estate is the first priority for the Corporate Landlord responsibility. In year savings options are very limited and would have to be made by further reducing opening hours of some libraries and reducing the budget for new book acquisitions. Consultation may be required.

Shared service options with Brentwood around regulatory functions in public protection are being explored that could result in some savings later in the year.

A review of income generation potential from the Registrars service is also planned which could increase income and lead to a small general fund saving, this is in addition to an increase in income expectations in 2016/17 of £0.070m which is already included in the budget.

Regeneration and Assets:

Regeneration and Assets is forecast to spend to budget, however, this requires managing significant in year pressures. The main pressure within the service is in respect of the Thameside saving of £0.550m, of which £0.500m is at risk due to the continuing use of the building. Mitigation has been identified through a combination of rent and service charge income from the CCG for the space it occupies, additional income from former HRA shop rentals, scope to accelerate delivery of 2017/18 savings by bringing £0.100m forward, reviewing MFD spend and the introduction of the pay to park scheme for staff within the multi-storey car park. The previously planned income from VOSA (£0.043m from rent and service charges) will no longer be received; however alternative letting opportunities are being explored.

There is possibly further potential income through letting space in the Thameside on a commercial basis and letting additional space in CO1, however marketing is required and length of rental periods will be limited. Plans for CO1 need to be progressed and it will take time for schemes to be introduced.

Pressure exists in respect of the additional theatre income target of £0.075m. This represents a 15% increase on earned income. It is not immediately clear how this will be achieved and discussions continue.

Planning and Growth:

An underspend of £0.020m is currently forecast due to additional income through increases in personal searches and trading with other authorities. In order to avoid in year pressure, the amount of income generated will be reviewed throughout the year with activity varied to match it.

3.1.4 Finance & IT

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
3,185	10,268	10,268	0	(400)	(400)

Finance and IT are forecasting to underspend by £0.400m which will support the mitigation of council wide pressures. This is primarily through restructure savings of £0.250m within ICT, additional income within Fraud of £0.050m and £0.100m from other Finance services. Delivery will result in post reductions and is put forward as the first year target towards the 15-20% budget reduction challenge. These savings are in addition to a further £0.250m ICT reduction allocated to the £1.200m

Organisation Challenge savings target and the £0.150m agreed for Revenues and Benefits. Together, these represent a reduction on accountable budget circa 10%.

3.1.5 Human Resources and Organisational Development

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
1,670	7,881	8,001	120	(120)	0

HROD is forecasting to spend to budget in 2016/17. The service is managing a pressure of £0.120m in respect of the Occupational Health service. The service was previously funded through the Public Health grant, however, reductions to the grant have resulted in a review of its use. The pressure is to be mitigated by increasing income and managing within wider HROD budgets.

Pressure is anticipated within the Communication budget due to funding an acting up allowance and backfilling through agency staff for sickness absence. It is anticipated that the pressure will be managed within wider service budgets and prioritising spend to remain within budget overall.

The service has an agreed savings target of £0.100m which is expected to be delivered through income generation activity including a roundabout sponsorship scheme and a more proactive approach to filming in the borough.

3.1.6 Legal Services

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
695	2,192	2,192	0	0	0

Legal Services are forecasting to spend to budget by year end. The Legal income target, that increased by £0.250m in 2016/17, is becoming increasingly difficult to achieve.

To deliver the income target the shared legal service will need to deliver greater efficiencies and ensure the commercial viability of the shared service is fully utilised in areas of income generating work such as delivering legal services to other Councils and public sector organisations. The shared legal service has a record of delivery on income targets. A commercial review is now required to assess the viability of delivering this new target with consideration of any further efficiencies or enablers within the shared service model.

3.1.7 Commercial Services

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
214	610	610	0	0	0

The Commercial Services Directorate is forecasting to spend to budget.

3.1.8 Central Expenses

Spend YTD £000	Full Year Budget £000	Forecast £000	Variance £000	Mitigating Action £000	Revised Variance £000
1,037	7,015	7,015	0	(525)	(525)

This budget covers a number of corporate expenditure items including treasury management costs (interest paid on loans and received from investments), the annual contribution to the Essex Pension Fund to meet current actuarial deficiency and allocation for MRP.

Projections indicate an under spend of £0.525m. This is from an expected benefit of £0.200m from an improved treasury position and £0.400m return on a joint LA Bond issued to the private sector for a renewable energy project. This is partially offset by a loss of £0.075m from the discontinuation of the Local Services Support Grant from April 2016. Given the uncertainty in the markets following the EU Referendum result, the treasury position will need to be monitored closely.

The Central Expenses budget includes an allocation of £0.050m in respect of the Lower Thames Crossing proposal and £0.365m invest to save funding available to support initiatives geared towards enabling financial self-sustainability. In addition to this, £4.500m has been allocated towards managing council growth pressures.

3.1.9 Housing Revenue Account

	Full Year Budget	Spend YTD	Forecast	Variance from Budget	
	£000	£000	£000	£000	%
Repairs and Maintenance	12,602	2,743	12,984	382	3.0
Housing Operations	12,476	2,404	12,194	(282)	(2.0)
Financing and Recharges	22,805	103	22,805	0	0
Rent and Income	(48,426)	(11,338)	(48,226)	200	0.4
Development	542	282	242	(300)	(1.4)
Total	0	(5,805)	0	0	0

The Housing Revenue Account budget, agreed by Cabinet in February 2016, is forecasting a breakeven position for 2016/17.

Potential risks to the position are due to delays in letting properties on Seabrooke Rise and Derry Avenue which has led to increased costs relating to Council Tax on void dwellings and a loss of rental income. The current rent collection rate on income due as at the end of June is 90.9% against a target of 90%. In addition to this, increased overhead costs relating to the Mears price per property contract have been included in the forecast along with additional spend on boiler installations that was not budgeted for.

Pressures are currently being offset by budget savings and efficiencies within Housing Operations and holding posts vacant. There is a forecast underspend in Development due to the progression of new build schemes into more established phases and requiring less support from revenue.

3.2 Medium Term Financial Strategy (MTFS)

3.2.1 The MTFS presented to Council in February 2016 shows the budget gap over the 3 years 2017/18 to 2019/20 as £18.443m. This already assumes delivery of £2.534m savings previously agreed for 2017/18 (see Appendix B) and assumes a Council Tax increase of 3.99% in each year.

3.2.2 As part of the ongoing budget planning process, the MTFS has been updated to reflect latest assumptions. The table below sets out the movements from the previous position and revised budget gap.

	2017/18	2018/19	2019/20	Total
February 2016	7.378	6.098	4.967	18.443
Business Rates	0.399	0.663	(0.463)	0.599
Inflation	(0.285)	(0.071)	(0.071)	(0.427)
Capital Financing	-	(0.042)	0.591	0.549
Government Grant	-	-	1.785	1.785
Revised Budget Gap	7.492	6.648	6.809	20.949

3.2.3 The key movements include:

- The position for 2017/18 and 2018/19 reflects a reduction in the provision for inflation but, adversely, also the possible impact of a significant category of business rate appeals that have been lodged;
- The majority of the increase is expected in 2019/20 and is largely as a result of further analysis on the four year funding settlement. It is prudent, at this stage, to reduce down the level of grant and business rate support in light of discussions on the removal or reduction of New Homes Bonus and further comments on grant levels; and
- The increase in Capital Financing reflects the likely interest rate increases towards the end of the MTFS period. This increased cost has been offset with significant savings in 2016/17 and smaller reductions over the following two

years as a result of pushing back the impact in light of current economic forecasts.

3.2.4 As reported earlier in this report, one off funding has been identified to meet the costs of a Clean It, Cut It, Fill It pilot. The results of this pilot will be used to determine whether growth is required in the budget for a permanent increase to the Environment and Place budgets and this will be reported once known.

3.2.5 The position above includes the assumption of a 3.99% increase in council tax each year – 1.99% general increase and 2% adult social care precept. The table below sets out how any reductions to this assumption will increase the deficits set out in paragraph 3.2.2:

An increase of:	Increases the budget gap by (£m)			
	2017/18	2018/19	2019/20	Total
3.99%	0.000	0.000	0.000	0.000
3.00%	0.570	0.585	0.605	1.760
2.00%	1.140	1.170	1.210	3.520
1.00%	1.710	1.755	1.815	5.280
0.00%	2.280	2.340	2.420	7.040

3.3 Council Spending Review Process and Timetable

3.3.1 Given the level of saving previously delivered across the council, the pressures identified in 2016/17 and that there are minimal reserves to call upon, it is essential that there is a clear strategy to close the budget gap set out in the MTFs. As a result, the focus will be on 3 key areas:

- Income generation – including increasing the Council’s commercial trading base. Council Tax increases also fall under this category;
- Achieving more / same for less – including further transformational projects, contract reviews, spend to save initiatives and alternative delivery models; and
- Demand management / early intervention. Examples include the Local Area Co-ordinators and Community Hubs.

3.3.2 However, where the budget gap cannot be fully closed through the above, the likely solution will be reductions to, or full cessation of, service provision.

3.3.3 Crossing through all of these areas is the need to adapt our workforce and change our culture to be an organisation which is more entrepreneurial, digitally-minded and commercially-aware.

3.3.4 The Council Spending Review will be underpinned by the following principles.

- Becoming financially self-sustainable;
- A minimum of 15-20% efficiencies in each service;

- A review of all services by March 2019 using common design principles (customer / demand management, commercial, ICT / digital, people, procurement, property and process);
- Non-statutory income generating services should be cost neutral; and
- Outcome focused including consideration of prevention and early intervention.

3.3.5 The transformation framework for achieving this is set out in the governance structure in Appendix C. The officer Transformation Board will oversee a number of Strategic Boards each with a specific focus and cross cutting membership. Each Strategic Board will be sponsored by a member of Directors Board and guided by the principles outlined above and strategic policy direction set by Members. The governance structure also includes the cross-party Council Spending Review Panel.

Growth	Performance
Customer Service & Demand Management	Commercial
ICT / Digital	People
Procurement	Property
Service Review	

3.3.6 The Council Spending Review timetable (Appendix D) has been prepared to achieve agreement of the budget by Cabinet and Council in February 2017. The main milestones are summarised below:

- July/August 2016 – Officer boards identify proposals and estimated savings for consultation with Cabinet Members;
- 7th September 2016 – Cabinet consider Q1 budget update including budget planning timetable and governance;
- September 2016 – Council Spending Review Panel (cross-party with Group Leaders and Deputies) consider savings options ahead of consultation;
- October/November 2016 – O&Ss consider proposals and public consultation where required;
- January 2017 – Cabinet agree proposals for implementation informed by O&S recommendations and draft budget referred to Corporate O&S; and
- February 2017 – Cabinet and Council budget setting.

3.4 **General Fund Balance**

3.4.1 The Council's S151 officer (Director of Finance and IT) has a responsibility to report to the Council annually the robustness of the Council's budget and adequacy of reserves.

3.4.2 A thorough review was carried out in 2010 and a level of £8m was recommended to Council and agreed at that level. Each year that amount

has been reviewed at a high level with the Council agreeing the recommendation to maintain the £8m balance.

3.4.3 The review has been updated during the Summer and has considered the following risks:

- Contract Failure – in the last 12 months the Council, and nationally, has experienced failures in domiciliary care, children’s centre provision and waste disposal;
- Interest Rate Increases – since the debt restructuring exercise, the Council has managed its cash flow through short term variable debt. The fact that this is unlikely in the current climate has been reflected in the probability linked to this risk;
- Significant Overspends not able to be mitigated, including a provision for unachieved savings – the Council has a proven track record of meeting various budget pressures in recent years with mitigating actions. However, this is becoming increasingly more difficult and the size of pressures with Children’s and Adults’ services in recent months have been challenging;
- Business Rates – the recent history of the impact of appeals from businesses to the Valuation office has had a significant impact on the Council’s resources. Whilst there has recently been good news in terms of new business in the area, there has equally been a postponement of a major scheme as well;
- Council Tax – recognising the loss of income should projected house building not take place;
- Government Grants – although the core grants have been reflected in the MTFs, there are still a number of service specific grants that have been reducing annually; and
- Other factors considered: litigation; increases in employment costs higher than budgeted; inflationary impacts; adult social care winter pressures; and civil emergency costs.

3.4.4 Having considered the above and used probability and impact factors, the balance recommended is an increase of £1.26m to £9.26m. The Council’s s151 officer would, considering the existing pressures within the MTFs, recommend an annual increase of £0.42m over the next three years to achieve this balance.

4. Reasons for Recommendation

4.1 The Council has a statutory requirement to set a balanced budget annually and to review its adequacy of reserves. This report sets out the budget pressures in 2016/17 along with actions to mitigate these pressures and

deliver a breakeven position. The report also outlines the budget gap over the next three years as per the MTFs and the approach and timetable to manage the position.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 The budget planning governance structure includes involvement and consultation with Officers, Portfolio Holders and Members. The timetable allocates October and November for Overview and Scrutiny committees to consider proposals and public consultation where required. The process also includes the Council Spending Review Panel, made up of cross-party Group Leaders and Deputies who will meet regularly during the budget planning period and ahead of key decision points.

6. Impact on corporate policies, priorities, performance and community impact

6.1 The implementation of previous savings proposals has already reduced service delivery levels and our ability to meet statutory requirements, impacting on the community and staff. There is a risk that some agreed savings may result in increased demand for more costly interventions if needs escalate particularly in social care. The potential impact on the Council's ability to safeguard children and adults will be kept carefully under review and mitigating actions taken where required.

6.2 The scale of future budget reductions as set out in this report are such that work is underway to follow a transformational approach to tackle the challenge.

7. Implications

7.1 Financial

Implications verified by: Carl Tomlinson

Finance Manager

The financial implications are set out in the body of this report.

Council officers have a legal responsibility to ensure that the Council can contain spend within its available resources. Regular budget monitoring reports will continue to come to Cabinet and be considered by the Directors Board and management teams in order to maintain effective controls on expenditure during this period of enhanced risk. Austerity measures in place are continually reinforced across the Council in order to reduce ancillary spend and to ensure that everyone is aware of the importance and value of every pound of the taxpayers money that is spent by the Council.

7.2 Legal

Implications verified by: David Lawson

Deputy Head of Law & Governance

There are no direct legal implications arising from this report.

There are statutory requirements of the Council's Section 151 Officer in relation to setting a balanced budget. The Local Government Finance Act 1988 (Section 114) prescribes that the responsible financial officer "must make a report if he considers that a decision has been made or is about to be made involving expenditure which is unlawful or which, if pursued to its conclusion, would be unlawful and likely to cause a loss or deficiency to the authority". This includes an unbalanced budget.

7.3 Diversity and Equality

Implications verified by: Becky Price

Community Development and Equalities

There are no specific diversity and equalities implications as part of this report.

A comprehensive Community and Equality Impact Assessment (CEIA) will be completed for any specific savings proposals developed to address future savings requirements and informed by consultation outcomes to feed into final decision making. The cumulative impact will also be closely monitored and reported to Members.

7.4 Other implications (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

Any other significant implications will be identified in any individual savings proposal business case to inform the consultation process where applicable and final decision making.

8. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- None

9. Appendices to the report

- Appendix 1 – 2016/2017 Savings Tracker
- Appendix 2 – 2017/2018 Savings Tracker
- Appendix 3 – Council Spending Review Governance Structure

- Appendix 4 – Budget Planning Timetable

Report Author:

Carl Tomlinson
Finance Manager
Finance and IT

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Savings Tracker 2016/2017

Adults, Housing and Health

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Roger Harris	External Placements	Delivered elsewhere. External placements, continues to be a pressure, risk is due to demand led nature of the service	500	500	-	R
Roger Harris	Public health – review of contracts	Due to the reductions made to the Public Health Grant, this saving has been attributed to ASC and not Public Health and has been delivered by the cessation of two of the Supporting People contracts	250	250	-	G
Roger Harris	Reduction in Voluntary Sector Core Grants	Delivered as part of the review of Supporting People & Voluntary Sector contracts	75	75	-	G
Total			825	825	-	

Children's Services

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Rory Patterson	Reduced costs through MASH/Early Offer of Help.	Saving being reviewed as part of wider action plan to address budget pressures	350	350	-	R
Rory Patterson	EOH services reduced by 10% through earlier intervention	Expected to be delivered	166	166	-	A
Rory Patterson	Commission school effectiveness in partnership with schools	Delivered	150	150	-	G
Rory Patterson	Reduce and realign youth provision across Thurrock and related service through internal reorganisation and developing the services as a mutual/outsourced service	Saving being reviewed as part of wider action plan to address budget pressures	230	230	-	A
Total			896	896	-	

Environment & Place

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Steve Cox	Transportation restructure and highways efficiencies	Delivered	50	50	-	G
Steve Cox	Reduce public transport subsidies (bus)	Saving no longer required to be delivered - budget reinstated in MTFS	190	190	-	G
Steve Cox	Planning - increased income and/or efficiencies	Delivered	29	29	-	G
Steve Cox	CEDU Restructure - Regeneration	Delivered	100	100	-	G
Steve Cox	Reduced building maintenance and cleaning contracts	Saving relates to the closure of Thameside. Full delivery of the saving is at risk due to the continuing use of the building. A review of expenditure budgets and actual running costs indicates part delivery of the saving. Further work is ongoing to determine further mitigation through additional income or efficiencies within other corporate buildings.	550	50	500	R
Steve Cox	Restructure and review of all grounds maintenance operations	Delivery would require further post and service reductions.	331	51	280	R
Steve Cox	Reductions in waste disposal	Delivered	270	270	-	G
Total			1,520	740	780	

Legal Services

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Fiona Taylor	Legal traded service income	Expected to be delivered	50	50	-	A
Total			50	50	-	

HR, OD & Transformation

Responsible Officer	Description	Current Position	Target	Forecast	Variance	RAG
Jackie Hinchliffe	CEDU - Communications Income Generation	A roundabout sponsorship scheme is expected to start in Autumn 2016/17. This is anticipated to bring in a minimum of approximately £70-80k. A more proactive approach to filming in the borough is also being considered as well as other income generation opportunities.	100	100	-	G
Total			100	100	-	

Total			3,391	2,611	780	
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Agreed Savings 2017/2018

Adults, Housing and Health

Responsible Officer	Description	Target
Roger Harris	External Placements	500
Roger Harris	Public health – review of contracts	250
Roger Harris	Reduction in Voluntary Sector Core Grants	75
Total		825

Childrens Services

Responsible Officer	Description	Target
Rory Patterson	Reduce and realign youth provision across Thurrock and related service through internal reorganisation and developing the services as a mutual/ outsourced service	232
Total		232

Environment & Place

Responsible Officer	Description	Target
Steve Cox	Transportation restructure and highways efficiencies	250
Steve Cox	Invest in modern highway maintenance	260
Steve Cox	Planning - increased income and/or efficiencies	35
Steve Cox	CEDU Restructure - Regeneration	300
Total		845

Legal Services

Responsible Officer	Description	Target
Fiona Taylor	Legal traded service income	50
Total		50

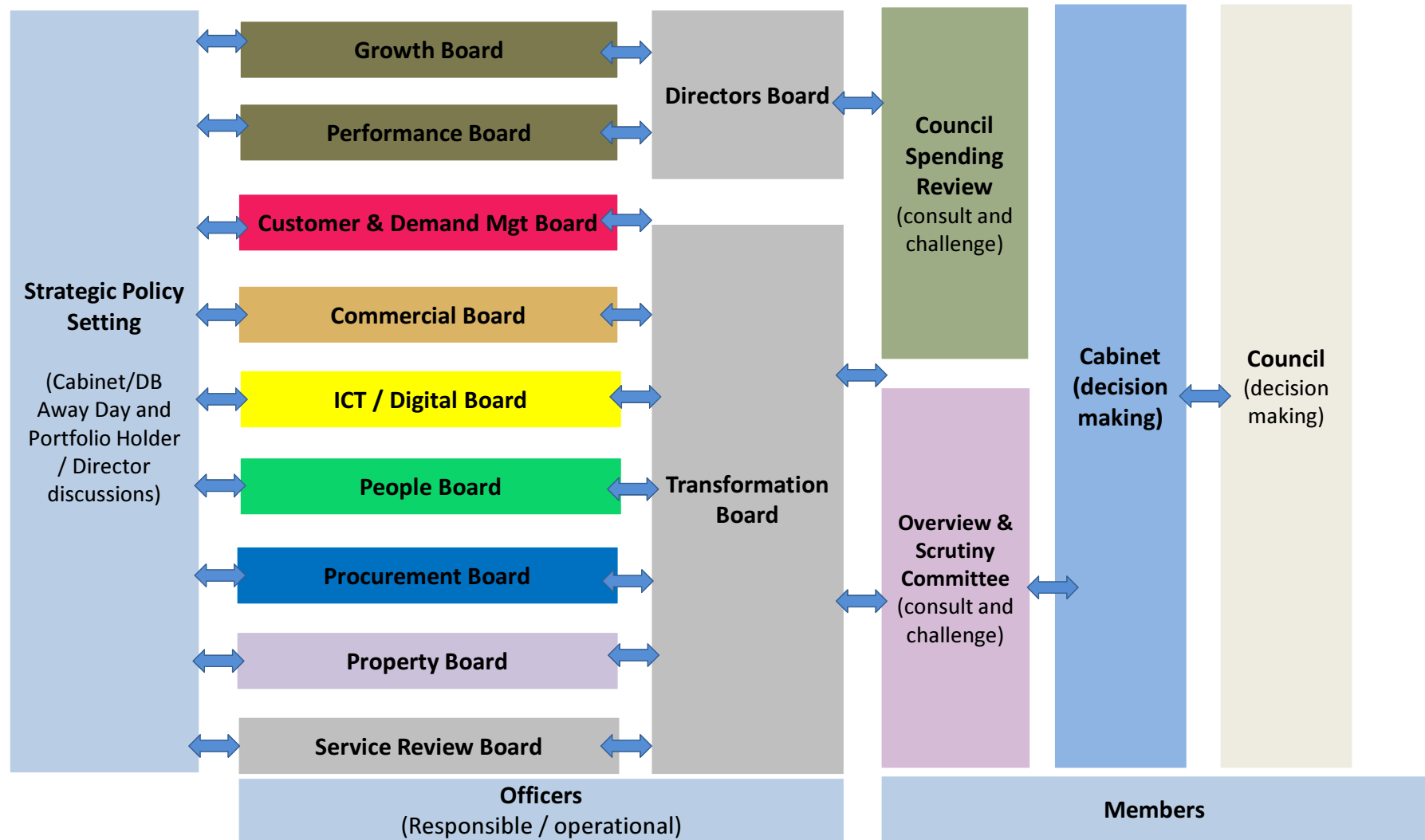
Finance & IT

Responsible Officer	Description	Target
Sean Clark	Further changes to staffing levels and revisions of prudential charges	582
Total		582

Total		2,534
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Governance Structure for Council Spending Review and Transformation Programme

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Budget Planning Timetable 2017/18+

Date	Meeting	Action/Outcome
7 Sept	CABINET	Quarter 1 budget update 2016/17 and MTFS including governance and timetable for budget process
TBC	Council Spending Review (CSR) Panel	Consider savings options ahead of Overview & Scrutiny Committees and public consultation
6 Oct	Housing O&S	Savings options to be considered
11 Oct	Cleaner, Greener, Safer O&S	Savings options to be considered
12 Oct	CABINET	Agree management actions/efficiencies for implementation and formal staff consultation where required
13 Oct	Children's O&S	Savings options to be considered
8 Nov	Planning, Trans & Regen O&S	Savings options to be considered
9 Nov	CABINET	Budget update if required
10 Nov	Health and Wellbeing O&S	Savings options to be considered
22 Nov	Corporate O&S	Savings options to be considered
TBC	CSR Panel	Feedback on savings options from O&Ss and public consultation
30 Nov	COUNCIL	Local Council Tax Scheme 2017/18
14 Dec	CABINET	Quarter 2 budget update 2016/17
11 Jan 2017	CABINET	Agree savings options to be implemented and draft budget to refer to Corporate O&S
18 Jan	Corporate O&S	Consider draft budget
TBC	CSR Panel	Leaders and Deputy Leaders briefed on budget
8 Feb	CABINET	Agree budget and refer to Full Council
22 Feb	COUNCIL	Agree budget 2017/18

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7 September 2016	ITEM: 12 Decision 01104381
Cabinet	
2016/2017 Capital Monitoring Report – Quarter 1	
Wards and communities affected: All	Key Decision: Non-key
Report of: Councillor Shane Hebb, Cabinet Member for Finance and Central Services	
Accountable Head of Service: Sean Clark, Director of Finance and IT	
Accountable Director: Sean Clark, Director of Finance and IT	
This report is Public	

Executive Summary

At its meeting on 24 February 2016, Council agreed the 2016/17 capital programme.

Since the 1st April 2016, additional funding has been added to the programme, funded from prudential borrowing and other grants. In addition, budget carry forwards from 2015/16 have also been added to the programme.

This report reflects these changes and sets out the latest forecasted outturn position and a detailed summary of the current position on the school capital programme.

1. Recommendation(s)

That Cabinet:

- 1.1 Note the General Fund capital programme is projected to have available resources of £6.094m as at 31 March 2017 with this funding carried forward to 2017/18 to fund schemes currently in progress or under development;**
- 1.2 Note the Housing Revenue Account capital programme is projected to have no unused resources in 2016/17;**
- 1.3 Is fully appraised on the current School Capital Programme Schemes for 2016/17.**

2. Introduction and Background

2.1. This report provides an update to Cabinet on the financial position of the capital programme and highlights significant variances. It is the first monitoring report for 2016/17 and is based on expenditure to the end of month 3 (the period 1st April 2016 to 30th June 2016) and projected expenditure for the remainder of the year.

2.2. Capital schemes and resources are identified in two specific categories:

- Mainstream schemes – capital expenditure that is funded by prudential (unsupported) borrowing, by capital receipts, from the revenue budget or from earmarked capital reserves.
- Specific schemes – capital expenditure that is funded by external funding sources, for example, government grants and Section 106 monies that can only be spent on specific projects.

3. General Fund Schemes

3.1. The current position for General Fund schemes for 2016/17 is summarised in Table 1.

Table 1: Capital Programme – Projected Outturn as at Month 3

	Latest Agreed Budget	Projected Outturn to 31/03/2017	Variance against budget
	£'000's	£'000's	£'000's
Expenditure:			
Children's Service ¹	17,798	17,520	(278)
Adult, Housing & Health	4,981	4,981	0
Environment and Place	43,403	40,313	(3,090)
Finance and IT	1,372	1,372	0
Commercial Services & Commissioning	1,745	659	(1,086)
HR, OD & Transformation	6,878	5,238	(1,640)
Total Expenditure	76,177	70,083	(6,094)
Resources:			
Prudential Borrowing	(43,009)	(37,840)	5,169
Capital Receipts	(1,967)	(1,828)	139
Reserves	(160)	(160)	0
Government & Other Grants	(27,163)	(26,900)	263
Developers Contributions (S106)	(3,878)	(3,355)	523

¹ The schools capital budget is designed around academic years and officers are confident that this will be defrayed in full within the current academic year

	Latest Agreed Budget	Projected Outturn to 31/03/2017	Variance against budget
	£'000's	£'000's	£'000's
Total Resources	(76,177)	(70,083)	6,094
Forecast Deficit in Resources	0	0	0

3.2 Table 1 is showing that the projected outturn for the year is £70.083m which is £6.094m less than the latest agreed budget for the year. The forecast variance is further analysed in Table 2

Table 2: – Analysis of forecast variance

	Re-profiling of expenditure at Month 3	Capital schemes requiring additional funding	Completed Projects	Forecast variance against budget at Month 3
Expenditure:	£'000	£'000	£'000	£'000
Children's Service	(263)	0	(15)	(278)
Adult, Housing & Health	0	0	0	0
Environment and Place	(3,090)	0	0	(3,090)
Finance and IT	0	0	0	0
Commercial Services & Commissioning	(1,086)	0	0	(1,086)
HR, OD & Transformation	(1,640)	0	0	(1,640)
Total	(6,079)	0	(15)	(6,094)

3.3 Table 2 shows that the forecast underspend is principally due to slippage/budget reprofiling on current schemes (£6.079m). A list of schemes where the variance is greater than £0.25m is shown in Appendix 2. The largest of these is the Riverside Business Centre (£2.105m) where work has been delayed due to changes to the design.

3.4 The detailed position on the schools capital programme is included in Appendix 3 to this report. This provides an update highlighting projects managed by Thurrock Council and schemes managed externally which all form part of the school capital programme along with schemes managed,

highlighting the considerable and continued progress that has been achieved since the last report to Council in December 2015.

4. Housing Revenue Account Schemes

- 4.1 The current position for Housing Revenue Account schemes for 2016/17 is summarised in Table 3.

Table 3: HRA Capital Programme – Projected Outturn

	Latest Agreed Budget	Projected Outturn to 31/03/2017
	£'000's	£'000's
Expenditure:		
Transforming Homes	6,831	6,831
Housing Development	10,000	10,000
Total Expenditure	16,831	16,831
Resources:		
Prudential Borrowing	(4,265)	(4,265)
Capital Receipts	(637)	(637)
Reserves	(634)	(634)
Government & Other Grants	(1,295)	(1,295)
Major Repairs Reserve	(10,000)	(10,000)
Total Resources	(16,831)	(16,831)
Forecast Deficit in Resources	0	0

- 4.2 Table 3 shows that the capital programme for the Housing Revenue Account is estimated to be in balance in respect of financing expenditure in 2016/17.

Gloriana Thurrock Ltd.

- 4.3 The regeneration work in St Chads is the only active capital scheme currently being undertaken by the wholly owned company Gloriana Thurrock Ltd. This is a £35m scheme and is progressing well to date. The project incurred £10.5m expenditure in 2015/16 and is anticipated to incur a further £19.5m during 2016/17 - £5.6m of this has been spent to date (up to 30 June 16). This is funded by the Council and recovered from the company over the life of the project.

5. Issues, Options and Analysis of Options

Performance Indicator Target for Month 3: 10%

- 5.1 The total amount spent on the Capital Programme is £6.56m which is 8.6% of the budgeted spend against the performance indicator of 10%. This is based on the value of works carried out. The table above only reflects payments made and so when considering the outstanding payments for works completed but not yet billed, the percentage spent will actually be closer to the target level.
- 5.2 If the Local Authority does not undertake the school expansions and builds, the Local Authority will not be able to fulfil its statutory responsibility to ensure there are sufficient places available in Thurrock for every child of school age.

6 Reasons for Recommendation

- 6.1 The recommendations are to ensure that Cabinet and Members are aware of the current status of the Capital Programme.
- 6.2 The Local Authority is required to discharge its statutory duty, under the Education Act 2006, to ensure that suitable and sufficient places are available in Thurrock for every child of school age whose parents wish them to have one.

7. Consultation (including Overview and Scrutiny, if applicable)

- 7.1 Officers and Directors' Board have been consulted on this report
- 7.2 The school capital programme and other identified works have been subject to extensive consultation with key stakeholders. The principle has been agreed with schools and the detailed build content is being agreed with the relevant schools. Consultation will continue with each school and key stakeholders, as each scheme and works develop within the programme.
- 7.3 The principle has been agreed with schools and any detailed build content will be agreed with the relevant schools. Consultation will continue with each school and key stakeholder, as each scheme and schedule of works evolves within the programme.

8. Impact on corporate policies, priorities, performance and community impact

- 8.1 The budget provides the finance to support capital projects that meet the corporate priorities. Any changes to the budgets may impact, positively or negatively, on the delivery of these priorities and the Council's performance, with a corresponding impact on the community.
- 8.2 The improvement in the educational facilities in Thurrock schools is part of the council's delivery of its Education Capital Strategy and supports the council's prioritisation of educational standards and pupil progress by helping to create great places for learning in the borough.

9. Implications

9.1 Financial

Implications verified by: Sean Clark
Director of Finance and IT

The General Fund Capital Programme is projected to have available resources of £6.094m at the end of the current financial year and these will be carried forward to fund schemes either in development or currently in progress.

Through the active management of the programme the Council continues to maximise the resources at its disposal.

Additional accommodation required for increased pupil numbers will be funded from a combination of the future capital basic need budget, and underspends from the current capital programme. Once in-depth feasibility studies have been undertaken, funding requirements will be quantified and confirmed. This will include any funds applied for and successfully obtained from the Education Funding Agency, under the Targeted Basic Need Programme.

9.2 Legal

Implications verified by: David Lawson
Deputy Head of Legal & Deputy Monitoring Officer

There are no direct legal implications arising from this report. This report provides an update and allows Members to review the adequacy of existing budgets.

The Council has a duty under the Education Act 2006 to ensure the provision of “sufficient schools” for the provision of primary and secondary education in their area.

The report proposes to commence a procurement exercise for a Specialist Project Team for the schools capital improvement programme, and building contractors to take forward the proposed. Given the proposed value of the schemes we comply with the Public Contract Regulations 2015 the EU regulations and the Council’s constitution.

9.3 Diversity and Equality

Implications verified by: Natalie Warren
Community Development and Equalities Manager

The report provides an update and allows Members to review the adequacy of existing budgets.

The next Thurrock Schools' Capital Programme will continue to commit to improving learning environments for young people, supporting improvements in standards and raising aspirations to give all children the best possible life chances. The provision of these projects will help to tackle inequality and social exclusion.

10. Background papers used in preparing the report (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- There are various working papers within directorates and accountancy.

11. Appendices to the report

- Appendix 1 – General Fund and Housing Revenue Account Summary
- Appendix 2 – General Fund Refiling Variances over £0.25m
- Appendix 3 – Schools Capital Programme

Report Authors:

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School Capital and Planning Project Manager, Children's Services

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Table 4 – Summary of the 2016/17 General Fund Capital Programme	Approved Budget			Projected Outturn			CY Spend (Jun-16)	% Spend against CY Forecast
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
Children's Service	£'000 17,798	£'000 56	£'000 0	£'000 16,075	£'000 304	£'000 25	£'000 1,011	6.29
Adults, Health and Housing								
Provider Services	167	0	0	167	0	0	1	0.60
Better Care	985	0	0	985	0	0	31	3.00
Community Development	3,434	0	0	3434	0	0	15	0.00
Travellers	13	0	0	13	0	0	13	100.00
Private Sector Housing	382	0	0	382	0	0	2	0.52
	4,981	0	0	4,981	0	0	62	1.24
Environment and Place								
Transportation and Highways	19,552	2850	0	18773	3629	0	587	3.13
Strategic Planning	20	0	0	20	0	0	0	0.00
Resident Services	3,093	145	0	2953	285	0	43	1.46
Environment	4,062	0	0	3740	322	0	357	9.55
Regeneration and Assets	16,676	9365	5700	14048	11993	5,700	936	6.66
	43,403	12,360	5,700	39,534	16,229	5,700	1,923	4.86
Finance and I.T.	1,372	601	60	1,372	601	60	3	0.22
HR, OD and Transformation	6,878	2,250	0	5,238	3,890	0	476	9.09
Commercial Services and Commissioning	1,745	424	0	659	1,085	424	6	0.91
Total Expenditure - General Fund	76,177	15,691	5,760	67,859	22,109	6,209	3,481	5.13

Table 5 – Summary of the 2016/17 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend	% Spend against
		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19	(Jun-16)	CY Forecast
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Not yet started</i>	20	0	0	20	0	0	0	
	<i>Tender evaluation</i>	0	0	0	0	0	0	0	
	<i>Work commenced</i>	9,367	56	0	7,868	304	25	947	
	<i>Scheme completed</i>	0	0	0	0	0	0	0	
	<i>Completed retention o/s</i>	241	0	0	61	0	0	-53	
	<i>On hold</i>	970	0	0	970	0	0	0	
	<i>Demand led</i>	7,113	0	0	7,068	0	0	29	
	<i>Devolved to schools</i>	87	0	0	87	0	0	87	
Total Children's Service		17,798	56	0	16,074	304	25	1,010	6.28
	<i>Not yet started</i>	143	0	0	143	0	0	0	
	<i>Work commenced</i>	167	0	0	167	0	0	1	
	<i>Scheme completed</i>	13	0	0	13	0	0	13	
	<i>Demand led</i>	4,658	0	0	4,658	0	0	48	
Total Adults, Health and Housing		4,981	0	0	4,981	0	0	62	1.24
	<i>Not yet started</i>	1,853	70	0	1,832	70	0	0	
	<i>Design stage</i>	10,484	3,365	2,700	9,257	4,617	2,700	371	
	<i>Tender preparation</i>	3,538	0	0	1,448	2,105	0	225	
	<i>Out to tender</i>	591	75	0	452	215	0	5	
	<i>Contract formation</i>	4,642	1,300	0	4,663	1,300	0	157	
	<i>Work commenced</i>	15,841	7,550	3,000	15,871	7,550	3,000	703	
	<i>Scheme completed</i>	553	0	0	750	49	0	340	
	<i>Completed retention o/s</i>	170	0	0	170	0	0	50	
	<i>On hold</i>	2,552	0	0	2,230	322	0	36	
	<i>Demand led</i>	3,139	0	0	2,849	0	0	35	
	<i>Out for Consultation</i>	14	0	0	14	0	0	0	
Total Environment and Place		43,402	12,360	5,700	39,536	16,228	5,700	1,922	4.86

Table 5 – Summary of the 2016/17 General Fund Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Jun-16)	% Spend against CY Forecast
		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
	<i>Not yet started</i>	242	51	60	242	51	60	0	
	<i>Work commenced</i>	550	550	0	550	550	0	3	
	<i>Demand led</i>	580	0	0	580	0	0	0	
Total Finance and I.T.		1,372	601	60	1,372	601	60	3	0.22
	<i>Not yet started</i>	497	0	0	497	0	0	0	
	<i>Work commenced</i>	3,741	0	0	3,741	0	0	100	
	<i>Scheme completed</i>	2,640	2,250	0	1,000	3,890	0	376	
Total HR, OD and Transformation		6,878	2,250	0	5,238	3,890	0	476	9.09
	<i>Design stage</i>	646	184	0	339	260	184	0	
	<i>Tender preparation</i>	40	0	0	40	0	0	2	
	<i>Work commenced</i>	77	0	0	122	0	0	15	
	<i>Scheme completed</i>	128	0	0	128	0	0	-11	
	<i>On hold</i>	854	240	0	30	825	240	0	
Total Commercial Services & Commissioning		1,745	424	0	659	1,085	424	6	0.91
Total Expenditure - General Fund		76,176	15,691	5,760	67,860	22,108	6,209	3,479	5.13

Table 6 – Summary of the 2016/17 Housing Revenue Account Capital Programme	Approved Budget			Projected Outturn			CY Spend (Jun-16)	% Spend against CY Forecast
	2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
Adults, Health and Housing	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Provider Services	6,831	13500	6500	6831	13500	0	1037	
Better Care	10,000	0	0	10000	0	0	2042	
Total Expenditure - HRA	16,831	13,500	6,500	16,831	13,500	0	3,079	18.29

Table 7 – Summary of the 2016/17 Housing Revenue Account Capital Programme, by scheme status	Project Status	Approved Budget			Projected Outturn			CY Spend (Jun-16)	% Spend against CY Forecast
		2016/17	2017/18	2018/19	2016/17	2017/18	2018/19		
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	
	<i>Design stage</i>	4,500	9,500	5,000	4,500	9,500	5,000	0	
	<i>Planning decision</i>	500	4,000	1,500	500	4,000	1,500	0	
	<i>Work commenced</i>	11,500	0	0	11,500	0	0	2,854	
	<i>Scheme completed</i>	331	0	0	331	0	0	225	
Total Adults, Health and Housing - HRA		16,831	13,500	6,500	16,831	13,500	6,500	3,079	18.29

GENERAL FUND SCHEMES**Appendix 2**

Table 8 - Scheme Reprofiting	Reprofilng £000's	Reason
Enhancements to Grays Riverside Park	(322)	On hold pending discussions with community interest organisations.
Riverside Business Centre	(2,105)	This scheme is expected to start on site November/December 2016, with an expected completion date of September 2017.
Aveley Community Hub	(524)	This scheme is currently at the design stage and requires reprofilng of expenditure into 2017/18
Civic Offices - Lift replacements and upgrades	(254)	This project is on hold, pending the decision on the ground floor refurbishment works.
Civic Offices - Space Optimisation	(1,640)	Remainder of funding earmarked for Ground Floor and CO1 refurbishments. Subject to design works, expected to commence Q4 2016/17.

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Appendix 3 - School Capital Programme 2016/17 Update

1. Executive Summary

- 1.1 The council's school capital programme is developed following extensive pupil place planning to assess likely demand. The current programme aims to deliver sufficient pupil places for the 2016 and 2017 academic years.

We are pleased to report that all projects are due to be completed on time and within budget.

This report provides an update highlighting projects managed by Thurrock Council and schemes managed externally which all form part of the school capital programme along with schemes managed, highlighting the considerable and continued progress that has been achieved since the last report to Council in December 2015.

2. Introduction and Background

- 2.1 The Local Authority has a statutory responsibility to ensure that suitable and sufficient places are available in Thurrock for every child of school age whose parents wish them to have one.
- 2.2 The demand for pupil places has increased significantly, with a large increase in 'in year' admissions from families moving into the Authority.
- 2.3 In order to meet this demand, we have a number of capital projects that are well under way as detailed in this report.

3. Knightsmead Site and Somers Heath School

- 3.1 The agreement was given at Council on 24th June 2015 to expand Somers Heath Primary to a 2 Form of Entry school using the old Knightsmead site as was the approval of a £2.5M budget for the re-commissioning of Knightsmead School and the provision of a link building to Somers Heath to expand the school, which will cater for an additional 210 pupils in this area.

Following the procurement process a local architect has been appointed to lead on the design of Knightsmead/Somers Heath. The project is currently at RIBA Stage 5 (Construction).

In February 2016 a single stage open invitation to tender notice was published for the procurement of a Principal Contractor. Upon the completion of the tender period, submissions were evaluated on a 50% Price + 50% Quality model with the award being made to the most economically advantageous tenderer. The successful tenderer was Carmelcrest Ltd. an Essex based SME with experience of carrying out similar sized education projects elsewhere in the home counties. The contractor started on site on 3rd May 2016.

- 3.2 Full planning consent was granted at the council's planning committee on 7th April 2016 for the link extension and associated construction works.
- 3.3 A phased programme is in place, which will deliver sufficient school places from September 2016. Phase one will see the full refurbishment of the former Knightsmead building which will see all six classes available for the beginning of the new school term in September 2016. A final handover of phase two and the external works is scheduled for December 2016.
- 4. Purfleet Expansion Scheme**
- 4.1 Purfleet Primary Academy expansion project to a 2 form entry completed in May 2016 and was delivered within budget.
- 5. Tilbury Pioneer Academy**
- 5.1 This project is currently on hold the Gateway, Learning Consortium (GLC) are submitting a bid to the DFE as part of the free school bids.
- 6. Mayflower Academy – Harris Federation**
- 6.1 The project to build a five form entry is due to be completed August 2016 within the allocated budget ready for the admission of new pupils in September 2016. It is planned that only 4 forms of entry will be filled in the new academic year.
- 7. Woodside**
- The Multi Discipline Design Team was procured in line with the council's procurement rules, awarding the contract to Alderton Associates in May 2015.
- 7.1 Subsequent to the appointment of the multi discipline design team, detailed designs and specifications were prepared. The design freeze milestone was reached in August 2015 with the Woodside Academy representatives and their school Governors, and in October 2015 a single stage open invitation to tender notice was published for the procurement of a Principal Contractor.. The successful tenderer is Beardwell Construction Ltd; a long established local Grays based SME (Small, Medium sized Enterprise) with experience of carrying out similar sized education projects elsewhere in Thurrock and the County.
- 7.2 The works commenced on site in February 2016 with a two phased programme. Phase one will be the completion of ground floor classrooms in preparation for the additional reception class required for September 2016.
- 7.3 The project is currently at RIBA Stage 5 (Construction), and is on programme for completion in October 2016. The scheme will be delivered within the allocated budget.

8. Thameside

The Multi Discipline Design Team was procured in line with the council's procurement rules, awarding the contract to Huggins Brommage and Ferguson in May 2015.

8.1 An open stage tendering exercise took place mid-December to appoint a principal contractor. Following completion of the tender period, which closed on Friday 8th January with 5 returned submissions from bidders. Award of contract was made on 8th February to the successful tenderer, which was a local based company, H.W. Wilson Ltd.

8.2 Full planning approval was granted on 9th February 2016.

8.3 The project is currently at RIBA stage 5 (Construction). The contractor commenced on site on 15th February 2016.

A phased programme is in place, which will see four classrooms being completed mid-august 2016 to allow all four reception classes to be located together within the school. Final completion is scheduled for December 2016.

9. Temporary Accommodation

All of the temporary accommodation will be funded through the schools Basic Need budget.

9.1 Kennington's Primary School

Following a pupil place planning meeting in December 2015 it was identified that there was a further need for additional school places in the Ockendon and Aveley planning area. After undertaking an investigation and feasibility of both Kenningtons Primary and Aveley Primary, a decision was made by the Director to place a double demountable at Kenningtons Primary.

The demountable will remain at the school for five years until the bulge classes have moved through the school.

The demountable was purchased at the sum of £202,740.23.

9.2 Somers Heath Primary

The double and single demountables placed on site were removed at the end of July 2016 due to coincide with the completion of the refurbishment of the former Knightsmead building.

9.3 **Woodside Academy**

The double demountable is programme to be removed during the October half term to coincide with a final handover of the building scheduled for end of October 2016.

Report Author:

Sarah Williams

School Capital and Planning Project Manager

Children's Services

7 September 2016	ITEM: 12 Decision 01104382
Cabinet	
Treasury Management Outturn 2015/2016	
Wards and communities affected: None	Key Decision: Yes
Report of: Councillor Shane Hebb, Cabinet Member for Finance and Central Services	
Accountable Head of Service: Sean Clark, Director of Finance & IT	
Accountable Director: Sean Clark, Director of Finance & IT	
This report is Public	

Executive Summary

The Revised CIPFA Prudential Code requires that a Treasury Management Outturn report is produced after the financial year end.

In accordance with the Revised CIPFA Prudential Code, this report

- (a) reviews borrowing and investment activity for 2015/16; and
- (b) reports the treasury outturn position for 2015/16.

It is noted the Council has made net savings against the General Fund budget of £3.8m and net savings against the HRA budget of £1.1m which has supported the delivery of a balanced budget in 2015/16.

1. Recommendation(s)

- 1.1 **In line with the Treasury Management Policy Statement approved by Council on 12 February 2015 and the CIPFA Code of Practice, the Cabinet is asked to comment on the borrowing and investment performance for 2015/16.**

2. Introduction and Background

- 2.1 The Treasury Management Outturn 2015/16 report is prepared under the terms of the CIPFA Prudential Code.

2.2 The report presents details of borrowing and investment transactions that took place in 2015/16 and also reports the revenue outturn position on Treasury Management transactions for 2015/16

3. Issues, Options and Analysis of Options

3.1 The Council's borrowing activity during 2015/16 is summarised in table 1 below:

Table 1	Outstanding Debt 1 April 2015	New loans Raised	Loans Repaid	Outstanding Debt 31 March 2016
Source of loan	£000's	£000's	£000's	£000's
Public Works Loan Board (PWLB)	160,889	0	0	160,889
Market Loans	29,753	650	200	30,203
LT Debt	190,642	650	200	191,092
Temporary Market Loans	119,750	314,350	269,500	164,600
Total Debt	310,392	315,000	269,700	355,692

3.2 There is a net increase in Long Term Loans of £0.65m. This is made up of 2 elements. The Council was granted a loan from the South East Local Enterprise Partnership (SELEP) in the prior year and this increased by £0.65m of additional borrowing. A further £0.2m was paid off on the original amount received in the prior year of £0.75m.

3.3 There is a net increase in temporary market loans of £44.85m. The Council continues to take advantage of lower interest rates available by borrowing on a short term temporary basis. The additional funds have been taken to provide the repayable funding to Gloriana Thurrock Ltd, fund capital schemes on both a short term basis and also to ensure the funding is in place as major capital schemes come forward. This also supports the short term cashflow position of the Council. Finally this also includes an additional balance of £0.75m which was loaned to the Council by High House Production Park to invest on their behalf.

3.4 The Council has an underlying need to borrow known as the Capital Financing Requirement (CFR). The calculated CFR for the Council for

2015/16 was £339.2m. This is compared to the Council's actual debt plus General Fund reserves (totalling £323.1m) to calculate the Council's Borrowing Requirement of £16.1m for 2015/16. This represents the maximum amount the Council is able to increase long term borrowing in the financial year. Generally the Council's overall long term borrowing should not exceed the CFR.

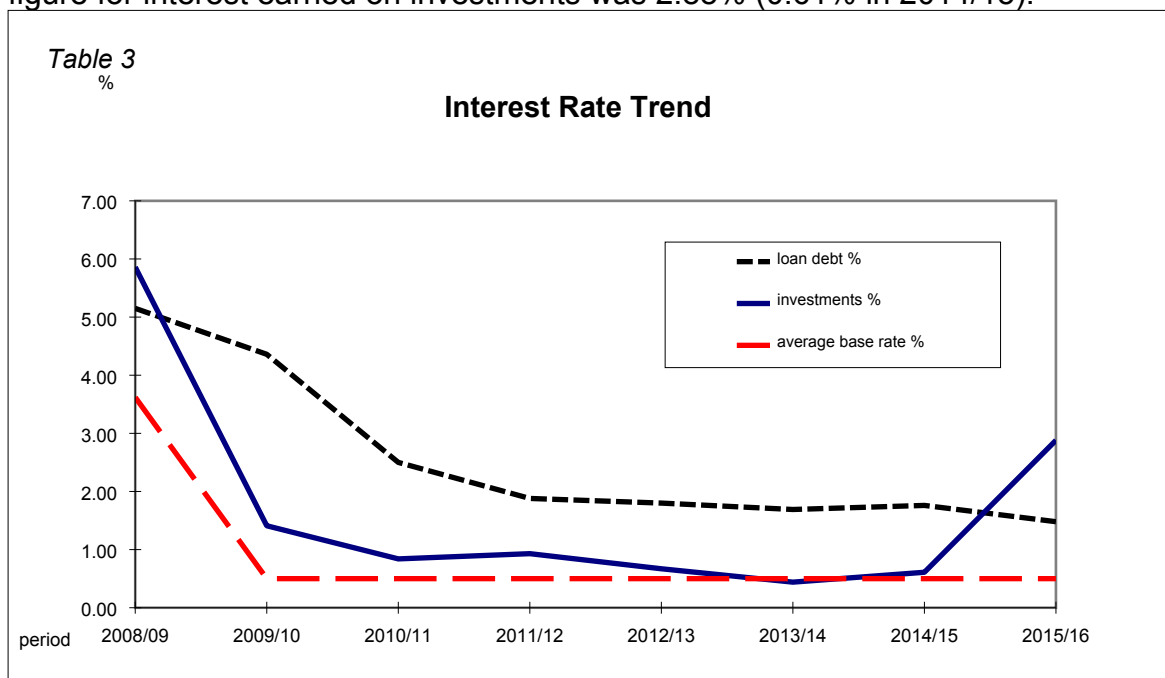
- 3.5** The Borrowing Requirement for 2015/16 relates to long term borrowing. In consultation with the Council's treasury advisors, Arlingclose, it was decided not to borrow any further long term debt before the end of the financial year and to either fund the requirement through use of internal balances or short term temporary borrowing. Hence the Borrowing Requirement was not further reduced in 2015/16. (Note the additional long term balance in Table 1 of £1.2m (net) is repayable finance with no interest charged to the Council and does not support the long term capital objectives of the Council and is hence excluded from this calculation.)
- 3.6** As noted above the Council provides funding to Gloriana Thurrock Ltd as required to support the projects undertaken by the wholly owned company. At the end of 2015/16 Gloriana Thurrock Ltd had spent a total of £10.5m funded in this way. This amount is split between debt (86%) and equity (14%) The Council has borrowed a total of £8m on a short term basis with the remainder being met from internal balances. The Council will continue to fund the company as required.
- 3.7** Table 2 below illustrates the maturity profile of the Council's debt portfolio. The £165.80m maturing in 1-25 years is made up of £163.85m temporary debt taken to cover cash flow requirements, finance the PWLB restructuring and fund Gloriana Thurrock Ltd that all mature in 2016/17. This also includes the £1.2 million SELEP loan and £0.75m held on behalf of High House Production Park. All of the Council's remaining long term debt matures between 26 and 50 years. The HRA Financing Settlement loans mature from 2056/57 onwards. This maturity profile occurs as a result of the continuing historical low in interest rates and the decision taken to borrow longer at the lowest rates available.

Table 2

Period	PWLB £000's	Market £000's	Average Rate %
1 – 25 years	0	165,803	0.52
26 – 35 years	0	18,000	6.90
36 – 40 years	0	11,000	5.18
41 – 45 years	125,000		3.50
46 – 50 years	35,889		3.48
Total	160,889	194,803	

3.8 During 2010/11 the Council undertook a rescheduling exercise whereby the entire PWLB portfolio was repaid. This rescheduling has continued to contribute positively to the outturn of the General Fund as shown in paragraph 7.1 Table 6. Officers continue to monitor the economic projections relating to interest rates and will take action to fix rates as necessary.

3.9 The average interest rate paid on the Council's general fund external borrowings in 2015/16 was 1.48% (1.77% in 2014/15) while the corresponding figure for interest earned on investments was 2.88% (0.61% in 2014/15).



The trend in interest rate movements is set out in the Table 3 above and this illustrates:

- the Council's average borrowing rate has fallen from 5.15% in 2008/09 to 1.48% in 2015/16.
- that investment returns have increased following the investment in the Church Charities and Local Authorities (CCLA) Property Fund in 2014/15.

3.10 During the year the Council operated within the specified limits set out in the Council's Treasury Policy Statement.

2015/16 Investment Transactions

3.11 The movements in the Council's investments are as follows:

Table 4			
	Fund Managers £'000s	In-House £'000s	Total £'000s
1 Total at 1 April 2015	20,000	38,000	58,000
2 New Investments	30,000	2,458,450	2,488,450
3 Investments Redeemed	0	2,481,650	2,481,650
4 Total at 31 March 2016	50,000	14,800	64,800

3.12 During 2015/16 the Council invested a further £30m in the CCLA Property Fund to benefit from the returns available.

3.13 The balances in the In-House column largely relate to investments held on an overnight basis. The continuing effect of the financial crisis has led to the Council reducing its investment counterparty list and it has often been difficult to find counterparties to invest with for longer periods. This has therefore led to more funds being placed on an overnight basis increasing the turnover of the In-House investments in lines 2 and 3 in the above table. The overall net increase in these investments is £14.8m.

3.14 At 31 March 2016 the money was invested with the following types of institutions:

Table 5	
	£ 000's
Banks	1,000
Building Societies	11,000
CCLA Property Fund	50,000
UK Local Authority	2,800
Total	64,800

3.15 All investments made in 2015/16 have been with organisations listed in the Borrowing and Investment Annual Strategy, which was presented to Council on 12 February 2015, and the total sums invested with individual institutions have been contained within the limits specified therein.

Investment Returns

- 3.16** The net dividend (after the deduction of fees) achieved by the CCLA property fund in the year was 4.91% and totalled £1.676m.
- 3.17** The average rate achieved on the Council's directly managed investments in 2015/16 was 0.52% despite the need to finance day to day cash requirements, with the consequent variations in amounts available for investment. However no allowance is made for internal costs associated with Investments.

4. Reasons for Recommendation

- 4.1** There is a legal requirement for a Treasury Management Outturn Report to be submitted to Cabinet after the end of the financial year. This report and appendices have been written in line with best practice.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1** The Council's Treasury Advisors, Arlingclose, have been consulted

6. Impact on corporate policies, priorities, performance and community impact

- 6.1** Treasury Management plays a significant support role in the delivery of services to the community. Since the debt restructure in August 2010, the function has contributed savings in the region of £18m.

7. Implications

7.1 Financial

Implications verified by: **Chris Buckley**
Senior Financial Accountant

The financial implications of the above treasury management activities on the Council's revenue budget are illustrated in the table below. The outturn position is compared against both the original and revised forecast.

Table 6		2015/16 Revised Budget £000's	2015/16 Actual outturn £000's	2015/16 Variance £000's
1	Interest payable on external debt Net Interest charged to GF	2,980.0	2,497.0	-483.0
2	Investment Income Interest on Investments	-1,055.0	-2,182.7	-1,127.7
3	Net Interest charged to GF	1,925.0	314.3	-1,610.7
4	MRP	5,800.0	3,654.0	-2,146.0
5	Overall total	7,725.0	3,968.3	-3,756.7

The savings in the above table result from a review of the calculation of the Council's MRP and the returns received from the CCLA Property Fund following increased investment in the fund.

The interest costs for the HRA in 2015/16 were £5.7m against a budget of £6.8m.

7.2 Legal

Implications verified by: **David Lawson**
Deputy Head of Law and Governance

In determining its affordable borrowing limits under section 3 of the Local Government Act 2003, the Council must have regard to the "Prudential Code for Capital Finance in Local Authorities" (revised Edition 2007) published by CIPFA. In carrying out its functions under Chapter 1, Part 1 of the Local Government Act 2003, the Council must have regard to the code of practice contained in the document "Treasury Management in the Public Sector : Code of Practice and Cross-Sectoral Guidance Notes" (Revised Edition 2009) published by CIPFA

7.3 Diversity and Equality

Implications verified by: **Natalie Warren**
**Community Development & Equalities
Manager**

There are no specific implications from this report

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Revised CIPFA Prudential Code
- CLG Guidance on Local Government Investments
- Revised CIPFA's Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes
- Treasury Management Policy Statement
- 2015/16 Annual Investment Strategy
- Arlingclose's Investment Review.

9. **Appendices to the report**

- None

Report Author:

Chris Buckley

Senior Financial Accountant

Corporate Finance

7 September 2016	ITEM: 14 Decision 01104383
Cabinet	
The Award of Better Care Fund Contracts for Community Health Care Services	
Wards and communities affected: All	Key Decision: Key
Report of: Councillor Susan Little, Cabinet Member for Children's and Adult Social Care	
Accountable Head of Service: Les Billingham, Head of Adult Services	
Accountable Director: Roger Harris, Corporate Director of Adults, Housing and Health	
This report is Public	

Executive Summary

On 9 March 2016, Cabinet approved the Better Care Fund Section 75 Agreement between the Council and NHS Thurrock Clinical Commissioning Group. The Agreement allowed the creation of a pooled fund, to be operated in line with the terms of the Agreement, to promote the integration of care and support services.

Guidance from NHS England stipulates that “Local partners will need to develop a joint spending plan that is approved by NHS England as a condition of the NHS contribution to the Fund being released into pooled budgets.” Approval for the plan covering the period April 2016 to March 2017 was received on 13 July 2016.

The Council is the ‘host’ organisation for the pooled fund, which means that it will need to enter into contracts with providers of Community Health Services. In view of the lateness of the receipt of approval from NHS England, Cabinet approval is sought a) to waive the requirement for a competitive procurement, and b) to award the contracts for these services in line with the Section 75 Agreement and the decision on 9 March 2016.

1. Recommendation(s)

- 1.1 That Cabinet approve the award of Better Care Fund contracts for Community Health Care Services.
- 1.2 That the requirement in the Council’s Constitution for competitive tendering be waived, to allow for a negotiated procurement procedure without prior publication.

2. Introduction and Background

- 2.1 At a meeting on 9 March 2016 Cabinet agreed to the Council entering into a further Better Care Fund Section 75 Agreement with NHS Thurrock Clinical Commissioning Group for 2016/17, based on the terms set out in the 2015/16 Agreement.
- 2.2 The legal framework for the Fund derives from the amended NHS Act 2006, which requires that in each area the Fund is transferred into one or more pooled budgets, established under Section 75, and that plans are approved by NHS England in consultation with Department of Health and the Department of Communities and Local Government.
- 2.3 Guidance stipulates that “Local partners will need to develop a joint spending plan that is approved by NHS England as a condition of the NHS contribution to the Fund being released into pooled budgets.” Approval for the plan covering the period April 2016 to March 2017 was received from NHS England on 13 July 2016.
- 2.4 The terms of the Section 75 Agreement means the Council is the ‘host’ organisation for the pooled fund. This in turn means that it will need to enter into contracts with the providers of Community Health Services in Thurrock (North East London Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust) and pay them from the Fund for the provision of services covered by the Plan.

3. Issues, Options and Analysis of Options

The Procurement Regulations

- 3.1 The Council’s Contract Procedure Rules stipulate that Cabinet must approve the award of contracts above £750,000. The Rules also stipulate that a report seeking Cabinet approval to award a contract shall include a statement from the Responsible Officer that in their opinion, the tender process has been fair and transparent and in compliance with the relevant European Union Rules, and these Contract Procedure Rules, or alternatively shall include a statement from the Responsible Officer which clearly sets out any anomalies that have occurred. Procurement Governance Form Stage 1: Approval to Proceed covering this requirement is attached as an Appendix to this Report.
- 3.2 The Council’s contract with North East London Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust for the provision of Better Care Fund services in 2015/16 expired at the end of March. In the absence of the approval of the Better Care Fund 2016/17 the providers have of necessity continued to provide the relevant services. It is understood that responsibility for payment for those services has been assumed by NHS Thurrock Clinical Commissioning Group for the year to date. Now, with the

approval of the Plan, It is now proposed that the Council will re-assume responsibility for paying for the services from October 2016 for the remainder of the contract term.

- 3.3 The lateness of the approval for the Pooled Fund from NHS England and the complexity of the health care services provided means it is not possible for any meaningful competition to be undertaken for the provision of those services which could lead to the award of the contract before the end of 2016/17. Accordingly Cabinet approval is sought a) to waive the requirement for a competitive procurement and b) to award the contracts for these services in line with the decision of Cabinet in March 2016.

Contracting arrangements

- 3.4 In 2015/16 the Council, as host of the Pooled Fund, entered into contracts with third party providers – namely North East London Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust. The NHS standard contract is used for these services with the Council becoming an equal commissioning partner. This arrangement will continue into 2016/17 with the majority of the Fund relating to existing NHS contracts.

- 3.5 The contract values for 2016/17 are as follows:
- North East London Foundation NHS Trust £10,462,240
 - South Essex Partnership University NHS Foundation Trust £683,261

- 3.6 In view of the fact that 5 months have elapsed since the start of the contract term, and that NHS Thurrock Clinical Commissioning Group has assumed responsibility for payment for the provision of services during this period, it has been agreed with the Clinical Commissioning Group that an appropriate adjustment will be made in respect of the monies to be transferred into the Pooled Fund.

4. Reasons for Recommendation

- 4.1 The award of contracts under the terms of the Section 75 Agreement must be approved by Cabinet for the Council to be able to pay providers of services contained within the Better Care Fund.

5. Consultation (including Overview and Scrutiny, if applicable)

- 5.1 A specific consultation on the establishment of the pooled fund to drive through the integration of health and social care services, as required under the terms of the Health and Social Care Act 2012, was held in September and October 2014.

6. Impact on corporate policies, priorities, performance and community impact

- 6.1 A key aim of the Better Care Fund is to reduce emergency admissions, which brings with it the potential to invest in services closer to home to prevent, reduce or delay the need for health and social care services or from the deterioration of health conditions requiring intensive health and care services. This will contribute to the priority of 'Improve Health and Wellbeing' and the vision set out within the refreshed Health and Wellbeing Strategy 2016-2021.
- 6.2 Achieving closer integration and improved outcomes for patients, service users and carers is also seen to being a significant way of managing demand for health and social care services, and so manage financial pressures on both the NHS Thurrock Clinical Commissioning Group and the Council.

7. Implications

7.1 Financial

Implications verified by: **Joanne Freeman**
Management Accountant

- 7.1.1 The Better Care Fund is made up of contributions from the Council and NHS Thurrock Clinical Commissioning Group. The mandated amount as published on the 9th February 2016 is £9,871,000 for NHS Thurrock Clinical Commissioning Group and £899,000 for Thurrock Council. Additional contributions for 2016/17 take the total value of the fund to £27,150,072.
- 7.1.2 The nature of the expenditure is an agreed ring-fenced fund. Financial risk is therefore minimised and governed by the terms set out in the Agreement.
- 7.1.3 The Fund will be accounted for in accordance with the relevant legislation and regulations, and the Agreement between the Local Authority and NHS Thurrock Clinical Commissioning Group.
- 7.1.4 Financial monitoring arrangements are in place, ensuring that auditing requirements are met, as well as disclosure in the financial statements.

7.2 Legal

Implications verified by: **Paul O'Reilly**
Projects Lawyer

- 7.2.1 In the particular extreme urgency circumstances of this situation, as outlined elsewhere in this Report, the Council is entitled to avail itself of the exception permitted under the Public Contracts Regulations 2015, Regulation 32(2)(c). This enables the Council to avoid the obligation to hold a competitive tendering process and to enter into contracts directly with North East London

Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust. This regulatory exemption is the basis of the waiver being sought.

7.2.2 Legal Services will be available to assist and answer any questions that may arise in relation to the award of the contract(s) and the completion of the compliant procurement exercise.

7.3 **Diversity and Equality**

Implications verified by: **Natalie Warren**
Community Development and Equalities
Manager

7.3.1 The vision of the Better Care Fund is improved outcomes for patients, service users and carers through the provision of better co-ordinated health and social care services. The commissioning plans developed to realise this vision will be developed with due regard to the equality and diversity considerations.

7.4 **Other implications** (where significant) – i.e. Staff, Health, Sustainability, Crime and Disorder)

None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

- Cabinet Report March 2016
<http://democracy.thurrock.gov.uk/documents/s7457/Thurrock%20Better%20Care%20Fund%20Section%2075%20Agreement.pdf>
- Technical Guidance Annex 4 – Better Care Fund Planning Requirements for 2016-17
<https://www.england.nhs.uk/wp-content/uploads/2016/02/annex4-bcf-planning-requirements-1617.pdf>

9. **Appendices to the report**

- Appendix 1 - Better Care Fund Section 75 Agreement
- Appendix 2 - Letter of approval from NHS England
- Appendix 3 -Procurement Governance Form – Stage 1: Approval to Proceed

Report Author:

Christopher Smith
Programme Manager
Adults, Housing and Health

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Dated

2016

THURROCK BOROUGH COUNCIL

and

**NHS THURROCK CLINICAL COMMISSIONING
GROUP**

**FRAMEWORK PARTNERSHIP AGREEMENT
RELATING TO THE COMMISSIONING OF
HEALTH AND SOCIAL CARE SERVICES
BETTER CARE FUND PROGRAMME**

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- g) Commission and provide health care services tailored around the outcomes the individual wishes to achieve;
 - h) Focus on prevention and timely intervention that supports people to be healthy and live independently for as long as possible, and
 - i) Develop systems and structures that enable and deliver a co-ordinated and seamless response.
- (G) The Partners have jointly carried out consultations on the proposals for this Agreement with all those persons likely to be affected by the arrangements.
- (H) The Partners are entering into this Agreement in exercise of the powers referred to in Section 75 of the 2006 Act and/or Section 13Z(2) and 14Z(3) of the 2006 Act as applicable, to the extent that exercise of these powers is required for this Agreement.

1 **DEFINED TERMS AND INTERPRETATION**

1.1 In this Agreement, save where the context requires otherwise, the following words, terms and expressions shall have the following meanings:

1998 Act means the Data Protection Act 1998.

2000 Act means the Freedom of Information Act 2000.

2004 Regulations means the Environmental Information Regulations 2004.

2006 Act means the National Health Service Act 2006.

Affected Partner means, in the context of Clause 24, the Partner whose obligations under the Agreement have been affected by the occurrence of a Force Majeure Event

Agreement means this agreement including its Schedules and Appendices.

Approved Expenditure means any additional expenditure approved by the Partners in relation to an Individual Service above any Contract Price and Performance Payments.

Authorised Officers means an officer of each Partner appointed to be that Partner's representative for the purpose of this Agreement.

Better Care Fund means the Better Care Fund as described in NHS England Publications Gateway Ref. No.00314 and NHS England Publications Gateway Ref. No.00535 as relevant to the Partners.

Better Care Fund Plan means the plan attached at Schedule 6 setting out the Partners plan for the use of the Better Care Fund.

CCG Statutory Duties means the Duties of the CCG pursuant to Sections 14P to 14Z2 of the 2006 Act

Change in Law means the coming into effect or repeal (without re-enactment or consolidation) in England of any Law, or any amendment or variation to any Law, or any judgment of a relevant court of law which changes binding precedent in England after the date of this Agreement

Commencement Date means 00:01 hrs on 1 April 2016

Confidential Information means information, data and/or material of any nature which any Partner may receive or obtain in connection with the operation of this Agreement and the Services and:

- (a) which comprises Personal Data or Sensitive Personal Data or which relates to any patient or his treatment or medical history;
- (b) the release of which is likely to prejudice the commercial interests of a Partner or the interests of a Service User respectively; or
- (c) which is a trade secret.

Contract Price means any sum payable to a Provider under a Service Contract as consideration for the provision of Services and which, for the avoidance of doubt, does not include any Default Liability or Performance Payment

Default Liability *means any sum which is agreed or determined by Law or in accordance with the terms of a Services Contract) to be payable by any Partner(s) to the Provider as a consequence of (i) breach by any or all of the Partners of an obligation(s) in whole or in part) under the relevant Services Contract or (ii) any act or omission of a third party for which any or all of the Partners are, under the terms of the relevant Services Contract, liable to the Provider.*

Financial Contributions means the financial contributions made by each Partner to the Pooled Fund in any Financial Year.

Financial Year means each financial year running from 1 April in any year to 31 March in the following calendar year.

Force Majeure Event means one or more of the following:

- (a) war, civil war (whether declared or undeclared), riot or armed conflict;
- (b) acts of terrorism;
- (c) acts of God;
- (d) fire or flood;
- (e) industrial action;
- (f) prevention from or hindrance in obtaining raw materials, energy or other supplies;
- (g) any form of contamination or virus outbreak; and

(h) any other event,
in each case where such event is beyond the reasonable control of the Partner claiming relief

Functions means the NHS Functions and the Health Related Functions

Health Related Functions means those of the health related functions of the Council, specified in Regulation 6 of the Regulations as relevant to the commissioning of the Services and which may be further described in the relevant Scheme Specification.

Host Partner means for the Pooled Fund the Partner that will host the Pooled Fund

Health and Wellbeing Board means the Health and Wellbeing Board established by the Council pursuant to Section 194 of the Health and Social Care Act 2012.

Indirect Losses means loss of profits, loss of use, loss of production, increased operating costs, loss of business, loss of business opportunity, loss of reputation or goodwill or any other consequential or indirect loss of any nature, whether arising in tort or on any other basis.

Individual Scheme means one of the schemes which is agreed by the Partners to be included within this Agreement using the powers under Section 75 as documented in a Scheme Specification in Schedule 2.

Integrated Commissioning Executive means the partnership board responsible for review of performance and oversight of this Agreement as set out in Schedule 2.

Law means:

- (d) any statute or proclamation or any delegated or subordinate legislation;
- (e) any enforceable community right within the meaning of Section 2(1) European Communities Act 1972;
- (f) any guidance, direction or determination with which the Partner(s) or relevant third party (as applicable) are bound to comply to the extent that the same are published and publicly available or the existence or contents of them have been notified to the Partner(s) or relevant third party (as applicable); and
- (g) any judgment of a relevant court of law which is a binding precedent in England.

Losses means all damage, loss, liabilities, claims, actions, costs, expenses (including the cost of legal and/or professional services), proceedings, demands and charges whether arising under statute, contract or at common law but excluding Indirect Losses and "Loss" shall be interpreted accordingly.

Month means a calendar month.

National Conditions mean the national conditions as set out in the NHS England Planning Guidance as are amended or replaced from time to time.

NHS Functions means those of the NHS functions listed in Regulation 5 of the Regulations as are exercisable by the CCG as are relevant to the commissioning of the Services and which may be further described in each Scheme Specification.

Non-Recurrent Payments means funding provided by a Partner to the Pooled Fund in addition to the Financial Contributions.

Overspend means any expenditure from the Pooled Fund in relation to an Individual Scheme in a Financial Year which exceeds the Financial Contributions for that Individual Scheme for that Financial Year.

Partner means each of the CCG and the Council, and references to "**Partners**" shall be construed accordingly.

Performance Payment Arrangement means any arrangement agreed with a Provider and one or more Partners in relation to the cost of providing Services on such terms as agreed in writing by all Partners.

Performance Payments means any sum over and above the relevant Contract Price which is payable to the Provider in accordance with a Performance Payment Arrangement.

Permitted Budget means in relation to a Service where the Council is the Provider, the budget that the Partners have set in relation to the particular Service.

Permitted Expenditure has the meaning given in Clause 7.3.

Personal Data means Personal Data as defined by the 1998 Act.

Pooled Fund means any pooled fund established and maintained by the Partners as a pooled fund in accordance with the Regulations, and as set out in the relevant Scheme Specification.

Pooled Fund Manager means such officer of the Host Partner for the Pooled Fund established under an Individual Scheme as is nominated from time to time to manage the Pooled Fund in accordance with Clause 8.

Provider means a provider of any Services commissioned under the arrangements set out in this Agreement.

Provider Contracts means those contracts entered into by a Partner in order to deliver the Individual Schemes

Public Health England means the SOSH trading as Public Health England.

Quarter means each of the following periods in a Financial Year:

1 April to 30 June

1 July to 30 September

1 October to 31 December

1 January to 31 March

and "**Quarterly**" shall be interpreted accordingly.

Regulations means the NHS Bodies and Local Authorities Partnership Arrangements Regulations 2000 No 617 (as amended).

Scheme Specification means a specification setting out the arrangements for an Individual Scheme agreed by the Partners to be commissioned under this Agreement.

Sensitive Personal Data means Sensitive Personal Data as defined in the 1998 Act.

Services means such health and social care services as agreed from time to time by the Partners as commissioned under the arrangements set out in this Agreement and more specifically defined in each Scheme Specification.

Services Contract means an agreement for the provision of Services entered into with a Provider by one or more of the Partners in accordance with the relevant Individual Scheme.

Service Users means those individual for whom the Partners have a responsibility to commission the Services.

SOSH means the Secretary of State for Health.

Third Party Costs means all such third party costs (including legal and other professional fees) in respect of each Individual Scheme as a Partner reasonably and properly incurs in the proper performance of its obligations under this Agreement and as agreed by the Integrated Commissioning Executive.

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 2006

Working Day means 8.00am to 6.00pm on any day except Saturday, Sunday, Christmas Day, Good Friday or a day which is a bank holiday (in England) under the Banking & Financial Dealings Act 1971.

1.2 In this Agreement, all references to any statute or statutory provision shall be deemed to include references to any statute or statutory provision which amends, extends, consolidates or replaces the same and shall include any orders, regulations, codes of practice, instruments or other subordinate legislation made thereunder and any conditions attaching thereto. Where relevant, references to English statutes and statutory provisions shall be construed as references also to equivalent statutes, statutory provisions and rules of law in other jurisdictions.

1.3 Any headings to Clauses, together with the front cover and the index are for convenience only and shall not affect the meaning of this Agreement. Unless the contrary is stated, references to Clauses and Schedules shall mean the clauses and schedules of this Agreement.

1.4 Any reference to the Partners shall include their respective statutory successors, employees and agents.

- 1.5 In the event of a conflict, the conditions set out in the Clauses to this Agreement shall take priority over the Schedules.
- 1.6 Where a term of this Agreement provides for a list of items following the word "including" or "includes", then such list is not to be interpreted as being an exhaustive list.
- 1.7 In this Agreement, words importing any particular gender include all other genders, and the term "person" includes any individual, partnership, firm, trust, body corporate, government, governmental body, trust, agency, unincorporated body of persons or association and a reference to a person includes a reference to that person's successors and permitted assigns.
- 1.8 In this Agreement, words importing the singular only shall include the plural and vice versa.
- 1.9 In this Agreement, "staff" and "employees" shall have the same meaning and shall include reference to any full or part time employee or officer, director, manager and agent.
- 1.10 Subject to the contrary being stated expressly or implied from the context in these terms and conditions, all communication between the Partners shall be in writing.
- 1.11 Unless expressly stated otherwise, all monetary amounts are expressed in pounds sterling but in the event that pounds sterling is replaced as legal tender in the United Kingdom by a different currency then all monetary amounts shall be converted into such other currency at the rate prevailing on the date such other currency first became legal tender in the United Kingdom.
- 1.12 All references to the Agreement include (subject to all relevant approvals) a reference to the Agreement as amended, supplemented, substituted, novated or assigned from time to time.

2 TERM

- 2.1 This Agreement shall come into force on the Commencement Date.
- 2.2 This Agreement shall continue until it is terminated in accordance with Clause 22.
- 2.3 The duration of the arrangements for each Individual Scheme shall be as set out in the relevant Scheme Specification.

3 GENERAL PRINCIPLES

- 3.1 Nothing in this Agreement shall affect:
 - 3.1.1 the liabilities of the Partners to each other or to any third parties for the exercise of their respective functions and obligations (including the Functions); or
 - 3.1.2 any power or duty to recover charges for the provision of any services (including the Services) in the exercise of any local authority function.

- 3.2 The Partners agree to:
- 3.2.1 treat each other with respect and an equality of esteem;
 - 3.2.2 be open with information about the performance and financial status of each; and
 - 3.2.3 provide early information and notice about relevant problems.
- 3.3 For the avoidance of doubt, the aims and outcomes relating to an Individual Scheme may be set out in the relevant Scheme specification.

4 PARTNERSHIP FLEXIBILITIES

- 4.1 This Agreement sets out the mechanism through which the Partners will work together to establish the Pooled Fund in relation to the Individual Schemes (“the Flexibilities”)
- 4.2 The Council delegates to the CCG and the CCG agrees to exercise, on the Council's behalf, the Health Related Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the NHS Functions.
- 4.3 The CCG delegates to the Council and the Council agrees to exercise on the CCG's behalf the NHS Functions to the extent necessary for the purpose of performing its obligations under this Agreement in conjunction with the Health Related Functions.
- 4.4 Where the powers of a Partner to delegate any of its statutory powers or functions are restricted, such limitations will automatically be deemed to apply to the relevant Scheme Specification and the Partners shall agree arrangements designed to achieve the greatest degree of delegation to the other Partner necessary for the purposes of this Agreement which is consistent with the statutory constraints.

5 FUNCTIONS

- 5.1 The purpose of this Agreement is to establish a framework through which the Partners can secure the provision of health and social care services in accordance with the terms of this Agreement.
- 5.2 This Agreement shall include such functions as shall be agreed from time to time by the Partners.
- 5.3 Where the Partners add a new Individual Scheme to this Agreement a Scheme Specification for each Individual Scheme shall be in the form set out in Schedule 1 shall be completed and agreed between the Partners. The initial scheme specifications are set out in schedule 1 part 2.
- 5.4 The Partners shall not enter into a Scheme Specification in respect of an Individual Scheme unless they are satisfied that the Individual Scheme in question will improve health and well-being in accordance with this Agreement.

5.5 The introduction of any Individual Scheme will be subject to business case approval by the Integrated Commissioning Executive, subject to any further requirement to report back to the Health and Wellbeing Board as set out in Schedule 2.

6 COMMISSIONING ARRANGEMENTS

6.1 The Partners shall comply with the arrangements in respect of commissioning as set out in the relevant Scheme Specification.

6.2 The Integrated Commissioning Executive will report back to the Health and Wellbeing Board as required by its terms of reference.

7 ESTABLISHMENT OF A POOLED FUND

7.1 In exercise of their respective powers under Section 75 of the 2006 Act, the Partners have agreed to establish and maintain such pooled funds for revenue expenditure as set out in the Scheme Specifications.

7.2 Pooled Fund shall be managed and maintained in accordance with the terms of this Agreement.

7.3 It is agreed that the monies held in a Pooled Fund may only be expended on the following:

7.3.1 *the Contract Price;*

7.3.2 where the Council is to be the Provider, the Permitted Budget;

7.3.3 *Performance Payments;*

7.3.4 *Third Party Costs;*

7.3.5 *Approved Expenditure*

("Permitted Expenditure")

7.4 The Partners may only depart from the definition of Permitted Expenditure to include or exclude other revenue expenditure with the express written agreement of each Partner.

7.5 For the avoidance of doubt, monies held in the Pooled Fund may not be expended on Default Liabilities unless this is agreed by all Partners.

7.6 Pursuant to this Agreement, the Partners agree to appoint a Host Partner for the Pooled Fund as set out in the Scheme Specifications. The Host Partner shall be the Partner responsible for:

7.6.1 holding all monies contributed to the Pooled Fund on behalf of itself and the other Partners;

7.6.2 providing the financial administrative systems for the Pooled Fund; and

7.6.3 appointing the Pooled Fund Manager;

7.6.4 ensuring that the Pooled Fund Manager complies with its obligations under this Agreement.

8 POOLED FUND MANAGEMENT

8.1 When introducing a Pooled Fund in respect of an Individual Scheme, the Partners shall agree:

8.1.1 which of the Partners shall act as Host Partner for the purposes of Regulations 7(4) and 7(5) and shall provide the financial administrative systems for the Pooled Fund;

8.1.2 which officer of the Host Partner shall act as the Pooled Fund Manager for the purposes of Regulation 7(4) of the Regulations.

8.2 The Pooled Fund Manager in respect of each Individual Scheme where there is a Pooled Fund shall have the following duties and responsibilities:

8.2.1 the day to day operation and management of the Pooled Fund;

8.2.2 ensuring that all expenditure from the Pooled Fund is in accordance with the provisions of this Agreement and the relevant Scheme Specification;

8.2.3 maintaining an overview of all joint financial issues affecting the Partners in relation to the Services and the Pooled Fund;

8.2.4 ensuring that full and proper records for accounting purposes are kept in respect of the Pooled Fund;

8.2.5 reporting to the Integrated Commissioning Executive as required by the Integrated Commissioning Executive and the relevant Scheme Specification;

8.2.6 ensuring action is taken to manage any projected under or overspends relating to the Scheme Specifications in accordance with this Agreement;

8.2.7 preparing and submitting to the Integrated Commissioning Executive Quarterly reports (or more frequent reports if required by the Integrated Commissioning Executive) and an annual return about the income and expenditure from the Pooled Fund together with such other information as may be required by the Partners and the Integrated Commissioning Executive to monitor the effectiveness of the Pooled Fund and to enable the Partners to complete their own financial accounts and returns. The Partners agree to provide all necessary information to the Pooled Fund Manager in time for the reporting requirements to be met.

8.2.8 preparing and submitting reports to the Health and Wellbeing Board as required by it.

8.3 In carrying out their responsibilities as provided under Clause 8.2 the Pooled Fund Manager shall have regard to the recommendations of the Integrated Commissioning Executive and shall be accountable to the Partners.

8.4 The Integrated Commissioning Executive may agree to the virement of funds between Individual Schemes.

9 NON POOLED FUNDS - NOTE THIS CLAUSE HAS BEEN DELETED AS NON-POOLED FUNDS WILL NOT BE UTILISED

10 FINANCIAL CONTRIBUTIONS

10.1 The Financial Contribution of the CCG and the Council to the Pooled Fund for the first Financial Year of operation of each Individual Scheme shall be as set out in the relevant Scheme Specification.

10.2 The Financial Contributions in each Financial Year, as set out in section 7 shall be paid to the fund in twelve (12) equal instalments receivable on the fourth working day of the month commencing April 2015.

10.3 The total value of the Better Care Fund in Thurrock is £27,150,072 and for the year 2016-17 no amount of the Better Care Fund is described as 'at risk'.

10.4 The Financial Contributions of the Council will be mad/e as set out in the each Scheme Specification.

10.5 With the exception of Clause 13, no provision of this Agreement shall preclude the Partners from making additional contributions of Non-Recurrent Payments to the Pooled Fund from time to time by mutual agreement. Any such additional contributions of Non-Recurrent Payments shall be explicitly recorded in Integrated Commissioning Executive minutes and recorded in the budget statement as a separate item.

11 FURTHER CONTRIBUTIONS

11.1 The Scheme Specification shall set out any further contributions of each Partner to cover including staff (including the Pooled Fund Manager), premises, IT support and other non-financial resources necessary to perform its obligations pursuant to this Agreement (including, but not limited to, management of service contracts and the Pooled Fund).

12 RISK SHARE ARRANGMENTS, OVERSPENDS AND UNDERSPENDS

Risk share arrangements

12.1 The partners have agreed risk share arrangements as set out in schedule 3, which provide for financial risks arising within the Individual Schemes of the Pooled Fund.

Overspends in Pooled Fund

12.2 Subject to Clause 12.1, the Host Partner for the Pooled Fund shall manage expenditure from the Pooled Fund within the Financial Contributions and shall ensure that the expenditure is limited to Permitted Expenditure.

12.3 The Host Partner shall not be in breach of its obligations under this Agreement if an Overspend of an Individual Scheme occurs PROVIDED THAT the only expenditure

from that Individual Scheme has been in accordance with Permitted Expenditure and it has informed the Integrated Commissioning Executive in accordance with Clause 12.4.

- 12.4 In the event that the Pooled Fund Manager identifies an actual or projected Overspend the Pooled Fund Manager must ensure that the Integrated Commissioning Executive is informed as soon as reasonably possible and the provisions of the relevant Scheme Specification and Schedule 3 shall apply.

Underspend

- 12.5 In the event that expenditure from the Pooled Fund in any Financial Year is less than the aggregate value of the Financial Contributions made for that Financial Year the Partners shall agree how the surplus monies shall be spent, carried forward and/or returned to the Partners. Such arrangements shall be subject to the Law and the Standing Orders and Standing Financial Instructions (or equivalent) of the Partners.

13 CAPITAL EXPENDITURE

The Pooled Fund shall not normally be applied towards any one-off expenditure on goods and/or services, which will provide continuing benefit and would historically have been funded from the capital budgets of one of the Partners. If a need for capital expenditure is identified this must be agreed by the Partners.

14 VAT

The Partners shall agree the treatment of the Pooled Fund for VAT purposes in accordance with any relevant guidance from HM Customs and Excise.

15 AUDIT AND RIGHT OF ACCESS

- 15.1 All Partners shall promote a culture of probity and sound financial discipline and control. The Host Partner shall arrange for the audit of the accounts of the Pooled Fund.
- 15.2 All internal and external auditors and all other persons authorised by the Partners will be given the right of access by them to any document, information or explanation they require from any employee, member of the Partner in order to carry out their duties. This right is not limited to financial information or accounting records and applies equally to premises or equipment used in connection with this Agreement. Access may be at any time without notice, provided there is good cause for access without notice.

16 LIABILITIES AND INSURANCE AND INDEMNITY

- 16.1 Subject to Clause 16.2, and 163, if a Partner ("First Partner") incurs a Loss arising out of or in connection with this Agreement or the Services Contract as a consequence of any act or omission of another Partner ("Other Partner") which constitutes negligence, fraud or a breach of contract in relation to this Agreement or the Services Contract then the Other Partner shall be liable to the First Partner for that Loss and shall indemnify the First Partner accordingly.

- 16.2 Clause 16.1 shall only apply to the extent that the acts or omissions of the Other Partner contributed to the relevant Loss. Furthermore, it shall not apply if such act or omission occurred as a consequence of the Other Partner acting in accordance with the instructions or requests of the First Partner or the Integrated Commissioning Executive.
- 16.3 If any third party makes a claim or intimates an intention to make a claim against either Partner, which may reasonably be considered as likely to give rise to liability under this Clause 16. the Partner that may claim against the other indemnifying Partner will:
- 16.3.1 as soon as reasonably practicable give written notice of that matter to the Other Partner specifying in reasonable detail the nature of the relevant claim;
 - 16.3.2 not make any admission of liability, agreement or compromise in relation to the relevant claim without the prior written consent of the Other Partner (such consent not to be unreasonably conditioned, withheld or delayed);
 - 16.3.3 give the Other Partner and its professional advisers reasonable access to its premises and personnel and to any relevant assets, accounts, documents and records within its power or control so as to enable the Indemnifying Partner and its professional advisers to examine such premises, assets, accounts, documents and records and to take copies at their own expense for the purpose of assessing the merits of, and if necessary defending, the relevant claim.
- 16.4 Each Partner shall ensure that they maintain policies of insurance (or equivalent arrangements through schemes operated by the National Health Service Litigation Authority) in respect of all potential liabilities arising from this Agreement.
- 16.5 Each Partner shall at all times take all reasonable steps to minimise and mitigate any loss for which one party is entitled to bring a claim against the other pursuant to this Agreement.
- 16.6 A Partner will take all reasonable steps to require that a Provider has suitable insurance cover in place, and that the Provider will maintain same, prior to that Partner entering into a Provider Contract with that Provider.

17 STANDARDS OF CONDUCT AND SERVICE

- 17.1 The Partners will at all times comply with Law and ensure good corporate governance in respect of each Partner (including the Partners respective Standing Orders and Standing Financial Instructions).
- 17.2 The Council is subject to the duty of Best Value under the Local Government Act 1999. This Agreement and the operation of the Pooled Fund is therefore subject to the Council's obligations for Best Value and the other Partners will co-operate with all reasonable requests from the Council which the Council considers necessary in order to fulfil its Best Value obligations.

17.3 The CCG is subject to the CCG Statutory Duties and these incorporate a duty of clinical governance, which is a framework through which they are accountable for continuously improving the quality of its services and safeguarding high standards of care by creating an environment in which excellence in clinical care will flourish. This Agreement and the operation of the Pooled Fund is therefore subject to ensuring compliance with the CCG Statutory Duties and clinical governance obligations.

17.4 The Partners are committed to an approach to equality and equal opportunities as represented in their respective policies. The Partners will maintain and develop these policies as applied to service provision, with the aim of developing a joint strategy for all elements of the service.

18 CONFLICTS OF INTEREST

The Partners shall comply with the agreed policy for identifying and managing conflicts of interest as set out in schedule 7.

19 GOVERNANCE

19.1 Overall strategic oversight of partnership working between the partners is vested in the Health and Well Being Board, which for these purposes shall make recommendations to the Partners as to any action it considers necessary.

19.2 The Partners have established an Integrated Commissioning Executive to meet the roles and obligations set out in schedule 2.

19.3 The Integrated Commissioning Executive is based on a joint working group structure. Each member of the Integrated Commissioning Executive shall be an officer of one of the Partners and will have individual delegated responsibility from the Partner employing them to make decisions which enable the Integrated Commissioning Executive to carry out its objects, roles, duties and functions as set out in this Clause 19 and Schedule 2.

19.4 The terms of reference of the Integrated Commissioning Executive shall be as set out in Schedule 2.

19.5 Each Partner has secured internal reporting arrangements to ensure the standards of accountability and probity required by each Partner's own statutory duties and organisation are complied with.

19.6 The Integrated Commissioning Executive shall be responsible for the overall approval of the Individual Scheme and Services, ensuring compliance with the Better Care Fund Plan and the strategic direction of the Better Care Fund.

19.7 Each Scheme Schedule shall confirm the governance arrangements in respect of the Individual Scheme (and related Service) and how that Individual Scheme (and related Service) is reported to the Integrated Commissioning Executive and Health and Wellbeing Board.

19.8 Each Scheme Schedule shall confirm the governance arrangements in respect of the Individual Scheme (and related Service) and how that Individual Scheme (and

related Service) is reported to the Integrated Commissioning Executive and Health and Wellbeing Board.

20 REVIEW

- 20.1 Save where the Integrated Commissioning Executive agree alternative arrangements (including alternative frequencies) the Partners shall undertake an annual review (“**Annual Review**”) of the operation of this Agreement, the Pooled Fund, and the provision of the Services within 3 Months of the end of each Financial Year.
- 20.2 Subject to any variations to this process required by the Integrated Commissioning Executive, Annual Reviews shall be conducted in good faith and, where applicable, in accordance with the governance arrangements set out in Schedule 2.
- 20.3 The Partners shall within 20 Working Days of the Annual Review prepare a joint annual report documenting the matters referred to in this Clause 20. A copy of this report shall be provided to the Integrated Commissioning Executive.
- 20.4 In the event that the Partners fail to meet the requirements of the Better Care Fund Plan and NHS England the Partners shall provide full co-operation with NHS England to agree a recovery plan.

21 COMPLAINTS

The Partners’ own complaints procedures shall apply to this Agreement. The Partners agree to assist one another in the management of complaints arising from this Agreement or the provision of the Services, in accordance with the Local Authority Social Services and National Health Service Complaints (England) Regulations 2009.

22 TERMINATION & DEFAULT

- 22.1 This Agreement may be terminated by any Partner giving not less than 3 Months’ notice in writing to terminate this Agreement provided that such termination shall not take effect prior to the termination or expiry of all Individual Schemes.
- 22.2 Each Individual Scheme may be terminated in accordance with the terms set out in the relevant Scheme Specification provided that the Partners ensure that the Better Care Fund requirements continue to be met.
- 22.3 If any Partner (“Relevant Partner”) fails to meet any of its obligations under this Agreement, the other Partner may by notice require the Relevant Partner to take such reasonable action within a reasonable timescale as the other Partner may specify to rectify such failure. Should the Relevant Partner fail to rectify such failure within such reasonable timescale, the matter shall be referred for resolution in accordance with Clause 23.
- 22.4 Termination of this Agreement (whether by effluxion of time or otherwise) shall be without prejudice to the Partners’ rights in respect of any antecedent breach and the provisions of Clauses 16, 22.6, 23, 25, 26, 27 and 28.

- 22.5 In the event of termination of this Agreement, the Partners agree to cooperate to ensure an orderly wind down of their joint activities and to use their best endeavours to minimise disruption to the health and social care which is provided to the Service Users.
- 22.6 Upon termination of this Agreement for any reason whatsoever the following shall apply:
- 22.6.1 the Partners agree that they will work together and co-operate to ensure that the winding down and disaggregation of any integrated and joint activities to the separate responsibilities of the Partners is carried out smoothly and with as little disruption as possible to service users, employees, the Partners and third parties, so as to minimise costs and liabilities of each Partner in doing so;
 - 22.6.2 where either Partner has entered into a Service Contract which continues after the termination of this Agreement, both Partners shall continue to contribute to the Contract Price in accordance with the agreed contribution for that Service prior to termination and will enter into all appropriate legal documentation required in respect of this;
 - 22.6.3 the Host Partner shall make reasonable endeavours to amend or terminate a Service Contract (which shall for the avoidance of doubt not include any act or omission that would place the Host Partner in breach of the Service Contract) where the other Partner requests the same in writing Provided that the Host Partner shall not be required to make any payments to the Provider for such amendment or termination unless the Partners shall have agreed in advance who shall be responsible for any such payment.
 - 22.6.4 where a Service Contract held by a Host Partner relates all or partially to services which relate to the other Partner's Functions then provided that the Service Contract allows the other Partner may request that the Host Partner assigns the Service Contract in whole or part upon the same terms mutatis mutandis as the original contract.
 - 22.6.5 the Integrated Commissioning Executive shall continue to operate for the purposes of functions associated with this Agreement for the remainder of any contracts and commitments relating to this Agreement; and
 - 22.6.6 Termination of this Agreement shall have no effect on the liability of any rights or remedies of either Partner already accrued, prior to the date upon which such termination takes effect.
- 22.7 In the event of termination in relation to an Individual Scheme or Service the provisions of Clause 22.6 shall apply mutatis mutandis in relation to the Individual Scheme or Service (as though references as to this Agreement were to that Individual Scheme or Service).

23 DISPUTE RESOLUTION

- 23.1 In the event of a dispute between the Partners arising out of this Agreement, either Partner may serve written notice of the dispute on the other Partner, setting out full details of the dispute.
- 23.2 The Authorised Officers shall meet in good faith as soon as possible and in any event within seven (7) days of notice of the dispute being served pursuant to Clause 23.1, at a meeting convened for the purpose of resolving the dispute.
- 23.3 If the dispute remains after the meeting detailed in Clause 23.1 has taken place, the Chief Executive of the Council (or nominee) and the Accountable Officer of the CCG (or nominee) shall meet in good faith as soon as possible after the relevant meeting and in any event with fourteen (14) days of the date of the meeting, for the purpose of resolving the dispute.
- 23.4 If the dispute remains after the meeting detailed in Clause 23.3 has taken place, then the Partners will attempt to settle such dispute by mediation in accordance with the Centre for Effective Dispute Resolution (CEDR) Model Mediation Procedure or any other model mediation procedure as agreed by the Partners. To initiate a mediation, either Partner may give notice in writing (a "**Mediation Notice**") to the other requesting mediation of the dispute and shall send a copy thereof to CEDR or an equivalent mediation organisation as agreed by the Partners asking them to nominate a mediator. The mediation shall commence within twenty (20) Working Days of the Mediation Notice being served. Neither Partner will terminate such mediation until each of them has made its opening presentation and the mediator has met each of them separately for at least one (1) hour. Thereafter, paragraph 14 of the CEDR Model Mediation Procedure will apply (or the equivalent paragraph of any other model mediation procedure agreed by the Partners). The Partners will co-operate with any person appointed as mediator, providing him with such information and other assistance as he shall require and will pay his costs as he shall determine or in the absence of such determination such costs will be shared equally.
- 23.5 Nothing in the procedure set out in this Clause 23 shall in any way affect either Partner's right to terminate this Agreement in accordance with any of its terms or take immediate legal action.

24 FORCE MAJEURE

- 24.1 Neither Partner shall be entitled to bring a claim for a breach of obligations under this Agreement by the other Partner or incur any liability to the other Partner for any losses or damages incurred by that Partner to the extent that a Force Majeure Event occurs and it is prevented from carrying out its obligations by that Force Majeure Event.
- 24.2 On the occurrence of a Force Majeure Event, the Affected Partner shall notify the other Partner as soon as practicable. Such notification shall include details of the Force Majeure Event, including evidence of its effect on the obligations of the Affected Partner and any action proposed to mitigate its effect.
- 24.3 As soon as practicable, following notification as detailed in Clause 24.2, the Partners shall consult with each other in good faith and use all best endeavours to

agree appropriate terms to mitigate the effects of the Force Majeure Event and, subject to Clause 24.4, facilitate the continued performance of the Agreement.

- 24.4 If the Force Majeure Event continues for a period of more than sixty (60) days, either Partner shall have the right to terminate the Agreement by giving fourteen (14) days written notice of termination to the other Partner. For the avoidance of doubt, no compensation shall be payable by either Partner as a direct consequence of this Agreement being terminated in accordance with this Clause.

25 CONFIDENTIALITY

- 25.1 In respect of any Confidential Information a Partner receives from another Partner (the "**Discloser**") and subject always to the remainder of this Clause 25, each Partner (the "**Recipient**") undertakes to keep secret and strictly confidential and shall not disclose any such Confidential Information to any third party, without the Discloser's prior written consent provided that:

25.1.1 the Recipient shall not be prevented from using any general knowledge, experience or skills which were in its possession prior to the Commencement Date; and

25.1.2 the provisions of this Clause 25 shall not apply to any Confidential Information which:

- (i) is in or enters the public domain other than by breach of the Agreement or other act or omission of the Recipient; or
- (ii) is obtained by a third party who is lawfully authorised to disclose such information.

- 25.2 Nothing in this Clause 25 shall prevent the Recipient from disclosing Confidential Information where it is required to do so in fulfilment of statutory obligations or by judicial, administrative, governmental or regulatory process in connection with any action, suit, proceedings or claim or otherwise by applicable Law.

25.3 Each Partner:

25.3.1 may only disclose Confidential Information to its employees and professional advisors to the extent strictly necessary for such employees to carry out their duties under the Agreement; and

25.3.2 will ensure that, where Confidential Information is disclosed in accordance with Clause 25.3.1, the recipient(s) of that information is made subject to a duty of confidentiality equivalent to that contained in this Clause 25;

25.3.3 shall not use Confidential Information other than strictly for the performance of its obligations under this Agreement.

26 FREEDOM OF INFORMATION AND ENVIRONMENTAL PROTECTION REGULATIONS

- 26.1 The Partners agree that they will each cooperate with each other to enable any Partner receiving a request for information under the 2000 Act or the 2004 Act to respond to a request promptly and within the statutory timescales. This cooperation shall include but not be limited to finding, retrieving and supplying information held, directing requests to other Partners as appropriate and responding to any requests by the Partner receiving a request for comments or other assistance.
- 26.2 Any and all agreements between the Partners as to confidentiality shall be subject to their duties under the 2000 Act and 2004 Act. No Partner shall be in breach of Clause 26 if it makes disclosures of information in accordance with the 2000 Act and/or 2004 Act.

27 OMBUDSMEN

The Partners will co-operate with any investigation undertaken by the Health Service Commissioner for England or the Local Government Commissioner for England (or both of them) in connection with this Agreement.

28 INFORMATION SHARING

The Partners will follow the Information Governance Protocol set out in schedule 8, and in so doing will ensure that the operation of this Agreement complies with Law, in particular the 1998 Act.

29 NOTICES

- 29.1 Any notice to be given under this Agreement shall either be delivered personally or sent by first class post or electronic mail. The address for service of each Partner shall be as set out in Clause 29.3 or such other address as each Partner may previously have notified to the other Partner in writing. A notice shall be deemed to have been served if:
- 29.1.1 personally delivered, at the time of delivery;
 - 29.1.2 posted, at the expiration of forty eight (48) hours after the envelope containing the same was delivered into the custody of the postal authorities; and
 - 29.1.3 if sent by electronic mail, at the time of transmission and a telephone call must be made to the recipient warning the recipient that an electronic mail message has been sent to him (as evidenced by a contemporaneous note of the Partner sending the notice) and a hard copy of such notice is also sent by first class recorded delivery post (airmail if overseas) on the same day as that on which the electronic mail is sent.
- 29.2 In proving such service, it shall be sufficient to prove that personal delivery was made, or that the envelope containing such notice was properly addressed and delivered into the custody of the postal authority as prepaid first class or airmail letter (as appropriate), or that the electronic mail was properly addressed and no message was received informing the sender that it had not been received by the recipient (as the case may be).

29.3 The address for service of notices as referred to in Clause 29.1 shall be as follows unless otherwise notified to the other Partner in writing:

29.3.1 if to the Council, addressed to the Corporate Director, Adults, Housing and Health, Thurrock Borough Council, Civic Offices, New Road Grays, Essex, RM17 6SL;

Tel: 01375 364029
E.Mail: rharris@thurrock.gov.uk

and

29.3.2 if to the CCG, addressed to the Chief Operating Officer, Thurrock CCG, 2nd Floor Civic Offices, New Road Grays, Essex, RM17 6SL;

Tel: 01375 365810
Email: thurrock.ccg@nhs.net

30 VARIATION

No variations to this Agreement will be valid unless they are recorded in writing and signed for and on behalf of each of the Partners.

31 CHANGE IN LAW

31.1 The Partners shall ascertain, observe, perform and comply with all relevant Laws, and shall do and execute or cause to be done and executed all acts required to be done under or by virtue of any Laws.

31.2 On the occurrence of any Change in Law, the Partners shall agree in good faith any amendment required to this Agreement as a result of the Change in Law subject to the Partners using all reasonable endeavours to mitigate the adverse effects of such Change in Law and taking all reasonable steps to minimise any increase in costs arising from such Change in Law.

31.3 In the event of failure by the Partners to agree the relevant amendments to the Agreement (as appropriate), the Clause 23 (Dispute Resolution) shall apply.

32 WAIVER

No failure or delay by any Partner to exercise any right, power or remedy will operate as a waiver of it nor will any partial exercise preclude any further exercise of the same or of some other right to remedy.

33 SEVERANCE

If any provision of this Agreement, not being of a fundamental nature, shall be held to be illegal or unenforceable, the enforceability of the remainder of this Agreement shall not thereby be affected.

34 ASSIGNMENT AND SUB CONTRACTING

The Partners shall not sub contract, assign or transfer the whole or any part of this Agreement, without the prior written consent of the other Partners, which shall not be unreasonably withheld or delayed. This shall not apply to any assignment to a statutory successor of all or part of a Partner's statutory functions.

35 EXCLUSION OF PARTNERSHIP AND AGENCY

35.1 Nothing in this Agreement shall create or be deemed to create a partnership under the Partnership Act 1890 or the Limited Partnership Act 1907, a joint venture or the relationship of employer and employee between the Partners or render either Partner directly liable to any third party for the debts, liabilities or obligations of the other.

35.2 Except as expressly provided otherwise in this Agreement or where the context or any statutory provision otherwise necessarily requires, neither Partner will have authority to, or hold itself out as having authority to:

35.2.1 act as an agent of the other;

35.2.2 make any representations or give any warranties to third parties on behalf of or in respect of the other; or

35.2.3 bind the other in any way.

36 THIRD PARTY RIGHTS

Unless the right of enforcement is expressly provided, no third party shall have the right to pursue any right under this Contract pursuant to the Contracts (Rights of Third Parties) Act 1999 or otherwise.

37 ENTIRE AGREEMENT

37.1 The terms herein contained together with the contents of the Schedules constitute the complete agreement between the Partners with respect to the subject matter hereof and supersede all previous communications representations understandings and agreement and any representation promise or condition not incorporated herein shall not be binding on any Partner.

37.2 No agreement or understanding varying or extending or pursuant to any of the terms or provisions hereof shall be binding upon any Partner unless in writing and signed by a duly authorised officer or representative of the parties.

38 COUNTERPARTS

This Agreement may be executed in one or more counterparts. Any single counterpart or a set of counterparts executed, in either case, by all Partners shall constitute a full original of this Agreement for all purposes.

39 GOVERNING LAW AND JURISDICTION

- 39.1 This Agreement and any dispute or claim arising out of or in connection with it or its subject matter or formation (including non-contractual disputes or claims) shall be governed by and construed in accordance with the laws of England and Wales.
- 39.2 Subject to Clause 23 (Dispute Resolution), the Partners irrevocably agree that the courts of England and Wales shall have exclusive jurisdiction to hear and settle any action, suit, proceedings, dispute or claim, which may arise out of, or in connection with, this Agreement, its subject matter or formation (including non-contractual disputes or claims).

IN WITNESS WHEREOF this Agreement has been executed by the Partners on the date of this Agreement

Signed for on behalf of **THURROCK COUNCIL**

Authorised Signatory

Signed for on behalf of
**THURROCK CLINICAL
COMMISSIONING GROUP**

Authorised Signatory

Part 1 – SCHEME SPECIFICATION

– Template Scheme Schedule

TEMPLATE SCHEME SCHEDULE

Unless the context otherwise requires, the defined terms used in this Scheme Specification shall have the meanings set out in the Agreement.

1 OVERVIEW OF INDIVIDUAL SCHEME

Insert details including:

- (a) *Name of the Individual Scheme*
- (b) *Relevant context and background information*
- (c) *Whether there are Pooled Funds:*

The Host Partner for Pooled Fund X is [] and the Pooled Fund Manager, being an officer of the Host Partner is []

2 AIMS AND OUTCOMES

Insert agreed aims of the Individual Scheme

3 THE ARRANGEMENTS

Set out which of the following applies in relation to the Individual Scheme:

- (1) Lead Commissioning;*
- (2) Integrated Commissioning;*
- (3) Joint (Aligned) Commissioning;*
- (4) the establishment of one or more Pooled Funds as may be required.*

4 FUNCTIONS

Set out the Council's Functions and the CCG's Functions which are the subject of the Individual Scheme including where appropriate the delegation of such functions for the commissioning of the relevant service.

Consider whether there are any exclusions from the standard functions included (see definition of NHS Functions and Council Health Related Functions)

5 SERVICES

*What Services are going to be provided within this Scheme. ?
Are there contracts already in place?
Are there any plans or agreed actions to change the Services?
Who are the beneficiaries of the Services? ¹*

¹ This may be limited by service line –i.e. individuals with a diagnosis of dementia. There is also a significant issue around individuals who are the responsibility of the local authority but not the CCG and Vice versa See note [] above

6 COMMISSIONING, CONTRACTING, ACCESS

Commissioning Arrangements

Set out what arrangements will be in place in relation to Lead Commissioning/Joint (Aligned) commissioning. How will these arrangements work?

Contracting Arrangements

Insert the following information about the Individual Scheme:

relevant contracts

arrangements for contracting. Will terms be agreed by both partners or will the Lead Commissioner have authority to agree terms

what contract management arrangements have been agreed?

What happens if the Agreement terminates? Can the partner terminate the Contract in full/part?

Can the Contract be assigned in full/part to the other Partner?

Access

Set out details of the Service Users to whom the Individual Scheme relates. How will individuals be assessed as eligible.

7 FINANCIAL CONTRIBUTIONS

Financial Year 201.../201

	CCG contribution	Council Contribution
Non-Pooled Fund A		
Non-Pooled Fund B		
Non-Pooled Fund C		
Pooled Fund X		
Pooled Fund Y		

Financial Year 201.../201

	CCG contribution	Council Contribution
Non-Pooled Fund A		
Non-Pooled Fund B		
Non-Pooled Fund C		
Pooled Fund X		

	CCG contribution	Council Contribution
Pooled Fund Y		

Financial resources in subsequent years to be determined in accordance with the Agreement

8 FINANCIAL GOVERNANCE ARRANGEMENTS

[(1) As in the Agreement with the following changes:

(2) Management of the Pooled Fund

Are any amendments required to the Agreement in relation to the management of Pooled Fund

Have the levels of contributions been agreed?

How will changes to the levels of contributions be implemented?

Have eligibility criteria been established?

What are the rules about access to the pooled budget?

Does the pooled fund manager require training?

Have the pooled fund managers delegated powers been determined?

Is there a protocol for disputes?

(3) Audit Arrangements

What Audit arrangements are needed?

Has an internal auditor been appointed?

Who will liaise with/manage the auditors?

Whose external audit regime will apply?

(4) Financial Management

Which financial systems will be used?

What monitoring arrangements are in place?

Who will produce monitoring reports?

Has the scale of contributions to the pool been agreed?

What is the frequency of monitoring reports?

What are the rules for managing overspends?

Do budget managers have delegated powers to overspend?

Will delegated powers allow underspends recurring or non-recurring, to be transferred between budgets?

How will overspends and underspends be treated at year end?

Will there be a facility to carry forward funds?

How will pay and non pay inflation be financed?

Will a contingency reserve be maintained, and if so by whom?

How will efficiency savings be managed?

How will revenue and capital investment be managed?

Who is responsible for means testing?

Who will own capital assets?

How will capital investments be financed?

*What management costs can legitimately be charged to pool?
 What re the arrangement for overheads?
 What will happen to the existing capital programme?
 What will happen on transfer where if resources exceed current liability
 (i.e. commitments exceed budget) immediate overspend secure?
 Has the calculation methodology for recharges been defined?
 What closure of accounts arrangement need to be applied?]*

9 VAT

Set out details of the treatment of VAT in respect of the Individual Service consider the following:

- *Which partner’s VAT regime will apply?*
- *Is one partner acting as ‘agent’ for another?*
- *Have partners confirmed the format of documentation, reporting and*
- *accounting to be used?*

10 GOVERNANCE ARRANGEMENTS FOR THE PARTNERSHIP

*Will there be a relevant Committee/Board/Group that reviews this Individual Scheme?
 Who does that group report to?
 Who will report to that Group?*

Pending arrangements agreed in the Partnership Agreement, including the role of the Health & Wellbeing Board, Partners to confirm any bespoke management arrangements for the Individual Scheme

11 FURTHER RESOURCES

Council contribution

	Details	Charging arrangements ³	Comments
Premises			
Assets and equipment			
Contracts			
Central support services			

CCG Contribution

² We note that some of the information overlaps with the information that is included in the main body of Agreement, however, we consider it is appropriate that this is considered for each Scheme in order to determine whether the overarching arrangements should apply.

³ Are these to be provided free of charge or is there to a charge made to a relevant fund. Where there are aligned budgets any recharge will need to be allocated between the CCG Budget and the Council Budget on such a basis that there is no “mixing” of resources

	Details	Charging arrangements ⁴	Comments
Premises			
Assets and equipment			
Contracts			
Central support services			

12 STAFF

Consider:

- *Who will employ the staff in the partnership?*
- *Is a TUPE transfer secondment required?*
- *How will staff increments be managed?*
- *Have pension arrangements been considered?*

Council staff to be made available to the arrangements

Please make it clear if these are staff that are transferring under TUPE to the CCG.

If the staff are being seconded to the CCG this should be made clear

CCG staff to be made available to the arrangements

Please make it clear if these are staff that are transferring under TUPE to the Council.

If the staff are being seconded to the Council this should be made clear.

13 ASSURANCE AND MONITORING

Set out the assurance framework in relation to the Individual Scheme. What are the arrangements for the management of performance? Will this be through the agreed performance measures in relation to the Individual Scheme.

In relation to the Better Care Fund you will need to include the relevant performance outcomes. Consider the following:

- *What is the overarching assurance framework in relation to the Individual Scheme?*
- *Has a risk management strategy been drawn up?*
- *Have performance measures been set up?*
- *Who will monitor performance?*
- *Have the form and frequency of monitoring information been agreed?*
- *Who will provide the monitoring information? Who will receive it?*

⁴ Are these to be provided free of charge or is there to a charge made to a relevant fund. Where there are aligned budgets any recharge will need to be allocated between the CCG Budget and the Council Budget on such a basis that there is no "mixing" of resources

14 LEAD OFFICERS

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
Council					
CCG					

15 INTERNAL APPROVALS

- Consider the levels of authority from the Council's Constitution and the CCG's standing orders, scheme of delegation and standing financial instructions in relation to the Individual Scheme;
- Consider the scope of authority of the Pool Manager and the Lead Officers
- Has an agreement been approved by cabinet bodies and signed?

16 RISK AND BENEFIT SHARE ARRANGEMENTS

Has a risk management strategy been drawn up?

Set out arrangements, if any, for the sharing of risk and benefit in relation to the Individual Scheme.

17 REGULATORY REQUIREMENTS

Are there any regulatory requirements that should be noted in respect of this particular Individual Scheme?

18 INFORMATION SHARING AND COMMUNICATION

What are the information/data sharing arrangements?

How will charges be managed (which should be referred to in Part 2 above)

What data systems will be used?

Consultation – staff, people supported by the Partners, unions, providers, public, other agency

Printed stationary

19 DURATION AND EXIT STRATEGY

What are the arrangements for the variation or termination of the Individual Scheme.

Can part/all of the Individual Scheme be terminated on notice by a party? Can part/all of the Individual Scheme be terminated as a result of breach by either Partner?

What is the duration of these arrangements?

Set out what arrangements will apply upon termination of the Individual Service, including without limitation the following matters addressed in the main body of the Agreement

- (1) maintaining continuity of Services;*
- (2) allocation and/or disposal of any equipment relating to the Individual Scheme;*
- (3) responsibility for debts and on-going contracts;*
- (4) responsibility for the continuance of contract arrangements with Service Providers (subject to the agreement of any Partner to continue contributing to the costs of the contract arrangements);*
- (5) where appropriate, the responsibility for the sharing of the liabilities incurred by the Partners with the responsibility for commissioning the Services and/or the Host Partners.*

Consider also arrangements for dealing with premises, records, information sharing (and the connection with staffing provisions set out in the Agreement.

20 OTHER PROVISIONS

Consider, for example:

- Any variations to the provisions of the Agreement*
- Bespoke arrangements for the treatment of records*
- Safeguarding arrangements*

PART 2 – AGREED SCHEME SPECIFICATIONS

SCHEDULE 1 – PART 2 AGREED SCHEME SPECIFICATION

BCF SCHEME 1 PREVENTION AND EARLY INTERVENTION

21 OVERVIEW OF INDIVIDUAL SCHEME

(a) **BCF Scheme 1 Prevention and Early Intervention** (as set out in the Thurrock Better Care Fund Plan)

(b)

The objective of the Scheme is to provide an integrated response to individuals using a number of successful existing and developing initiatives. The result will be a cohesive prevention and early intervention offer spanning the community, public health, health and adult social care system. This is an enhancement of the Scheme first introduced in 2015-16 (then as BCF Scheme 4) and focused on demand management and crisis prevention.

Further details are contained in pages 28-31 of the Better Care Fund Plan (Schedule 6 of this agreement).

(c) This Scheme is funded by the Thurrock BCF Pooled Fund in 2016/17.

22 THE ARRANGEMENTS

The Council as Host Partner will commission Services in relation to the Scheme, in exercise of both NHS Functions and Council Functions under the terms of the Pooled Fund by means of:

- A variation to the Standard NHS Contract for 2016/17 with North East London Foundation Trust for which Thurrock Clinical Commissioning Group is a Co-ordinating Commissioner and
- A Service Level Agreement for Thurrock Council's Provider Services.
- Contracts with various voluntary and private sector providers

23 FUNCTIONS

See Section 4 PARTNERSHIP FLEXIBILITIES PARAGRAPH 4.3 and 4.5

24 SERVICES

The Services are set out in the Provider Contracts and the Service Level Agreement with Thurrock Council Provider Services.

25 COMMISSIONING, CONTRACTING, ACCESS ***Commissioning Arrangements***

The Council will become an associate to the CCG Health Contract with North London Foundation Trust for the first year to allow for continuity and the opportunity to develop an integrated commissioning model and approach for subsequent years

Contracting Arrangements

relevant contracts

- North East London Foundation Trust

- Thurrock Council Provider Services
- Voluntary and private sector providers

The Commissioners have authority to agree contract terms in line with the terms of this agreement including

- contract management arrangements
- termination
- assignment

Access

Details of how Patients and Service Users will be assessed as eligible for services will be as set out in the Provider's contract and Operational Guidelines for services provided by Thurrock Council Provider Services.

26 FINANCIAL CONTRIBUTIONS

Financial Year 2016/17

HWB Board Investment	Current Service Provider	HWB Total £
Community Equipment	NELFT	1,672,840
Local Area Co-ordination	LA	398,339
Stroke Prevention	LA	34,715
Public Health	NELFT	250,000
Voluntary Sector Organisations	Various	199,325
Social Prescribing	Voluntary Sector	37,500
Integrated Data Set	Private Sector	125,000
		2,717,719

Financial resources in subsequent years are to be determined in accordance with the Agreement.

27 FINANCIAL GOVERNANCE ARRANGEMENTS

If during the course of monthly monitoring of activity and expenditure, a risk of overspend is identified in any of the Schemes, the Pooled Fund Manager will require a Remedial Action Plan to be produced by the provider and this will be presented to the Integrated Commissioning Executive within 21 days. The Integrated Commissioning Executive, where appropriate in consultation with the Health and Well-being Board will then consider whether it needs to agree the action plan in order to reduce expenditure.

28 VAT

The Council's VAT regime will apply to Provider Contracts

The Council is not acting as 'agent' for NHS Thurrock CCG

29 GOVERNANCE ARRANGEMENTS FOR THE PARTNERSHIP

See Schedule 2 - Governance

30 NON FINANCIAL RESOURCES

Council contribution – Not Applicable

CCG Contribution – Not Applicable

31 STAFF

TUPE transfers and secondments are not expected to be required in order to deliver this Scheme.

Staff increments and pension arrangements of employees of the Partners will be administered in line with the relevant terms and conditions of employment under the existing contract of employment of the particular staff member.

Council staff to be made available to the arrangements

- Strategic Lead - Commissioning and Procurement
- Integrated Commissioner Unplanned Care and Re-ablement
- Commissioner for dementia and older people
- Team Manager - Contract compliance & Brokerage

CCG staff to be made available to the arrangements

- Director of Commissioning
- Joint Unplanned Care Commissioning Officer
- Chief Finance Officer
- Executive Nurse
- Head of Performance
- Senior Commissioning Manager

32 ASSURANCE AND MONITORING

See Schedule 5 – Performance arrangements

33 LEAD OFFICERS

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
Council	Catherine Wilson	Thurrock Council, Civic Offices	01375 652068	cwilson@thurrock.gov.uk	
CCG	Mark Tebbs	Thurrock CCG, Civic Offices	01375 365810	Mark.tebbs@nhs.net	

34 INTERNAL APPROVALS

The Pooled Fund will be administered in accordance with the Better Care Fund Plan, this Agreement and the Constitution of the Council. In relation to this Individual Scheme and the Services it contains; the levels of authority from the Council's Constitution, scheme of delegation and standing financial instructions will apply.

35 RISK AND BENEFIT SHARE ARRANGEMENTS

See Schedule 3 – Risk Share and Overspends

36 REGULATORY REQUIREMENTS

The regulatory requirements for NHS services are set out within the NHS standard contract and the intention is therefore to continue to use the NHS contract.

The regulatory requirements for local authority provided services are as set out within the Care Act.

37 INFORMATION SHARING AND COMMUNICATION

In addition to the general Better Care Fund consultation and engagement process, the Partners will engage with stakeholders as part of each scheme. The purpose of this work is to promote integrated services and therefore communication and engagement is at the heart of the redesign work.

Both the Partners will be involved in contract negotiations for these services and will therefore develop the required activity and performance schedules. These will be shared via the Partners' contract management teams.

Further details are contained in page 58 of the Better Care Fund Plan (Schedule 6 of this agreement).

38 DURATION AND EXIT STRATEGY

Subject to the provisions of Section 22 of this agreement this scheme or any service contained within in it may be terminated with the agreement of both the Partners.

39 OTHER PROVISIONS

- There are none.

SCHEDULE 1 – PART 2 AGREED SCHEME SPECIFICATION

BCF SCHEME 2 OUT OF HOSPITAL COMMUNITY INTGRATION

40 OVERVIEW OF INDIVIDUAL SCHEME

(a) **BCF Out of Hospital Community Integration** (as set out in the Thurrock Better Care Fund Plan)

(b)

This scheme is aimed at improving the coordination of community health and adult social care services so that care delivered in the community is person centred whatever the provider or the nature of the service required.

Further details are contained in pages 31-35 of the Better Care Fund Plan (Schedule 6 of this agreement).

(c) This Scheme is funded by the Thurrock BCF Pooled Fund in 2016/17.

41 THE ARRANGEMENTS

The Council as Host Partner will commission Services in relation to the Scheme, in exercise of both NHS Functions and Council Functions under the terms of the Pooled Fund by means of:

A variation to the Standard NHS Contracts for 2016/17 with North East London Foundation Trust for which Thurrock Clinical Commissioning Group is a Co-ordinating Commissioner and for South Essex Partnership Trust for which Castle Point and Rochford CCG is a Co-ordinating Commissioner, and

A Service Level Agreement for Thurrock Council's Provider Services.

- Contracts with various voluntary and private sector providers

42 FUNCTIONS

See Section 4 PARTNERSHIP FLEXIBILITIES PARAGRAPH 4.3 and 4.5

43 SERVICES

The Services are set out in the Provider Contracts and the Service Level Agreement with Thurrock Council Provider Services.

44 COMMISSIONING, CONTRACTING, ACCESS

Commissioning Arrangements

The Council will become an associate to the CCG Health Contract with North London Foundation Trust for the first year to allow for continuity and the opportunity to develop an integrated commissioning model and approach for subsequent years

Contracting Arrangements

relevant contracts

- North East London Foundation Trust

- South Essex Partnership Trust
- Thurrock Council Provider Services
- Various voluntary and private sector providers

The Commissioners have authority to agree contract terms in line with the terms of this agreement including

- contract management arrangements
- termination
- assignment

Access

Details of how Patients and Service Users will be assessed as eligible for services will be as set out in the Provider's contract and Operational Guidelines for services provided by Thurrock Council Provider Services.

45 FINANCIAL CONTRIBUTIONS

Financial Year 2016/17

HWB Board Investment	Current Service Provider	HWB Total £
Integrated Community Teams	NELFT	4,415,346
Long Term Conditions	NELFT	408,416
Primary Care MDT Coordinator	NELFT	47,962
Carers Grant	Various	195,864
Day Hospital Assessment & Treatment	NELFT	389,392
Continence Service	SEPT	65,356
Community Geriatricians	NELFT	174,426
RRAS	NELFT	379,025
RRAS	LA	246,956
RRAS - Dementia Nurses (Band 6 & 7)	NELFT	82,500
RRAS - Community Carers/Support Workers (3.00 WTE Band 3)	NELFT	72,750
Consultant Psychiatrist/Pharmacy input	SEPT	24,750
Telehealth	NELFT	31,039
Various - Sensory Worker; Stroke, MH Support; Direct Payments Officer	LA	178,266
Hospital Social Work Team	LA	592,904
External Purchasing	Various	8,917,291
Elizabeth Gardens	LA	225,748
Complex Care (was Care Act Implementation)	Various	557,665
	-	17,005,656

Financial resources in subsequent years are to be determined in accordance with the Agreement.

46 FINANCIAL GOVERNANCE ARRANGEMENTS

If during the course of monthly monitoring of activity and expenditure, a risk of overspend is identified in any of the Schemes, the Pooled Fund Manager will require a Remedial Action Plan to be produced by the provider and this will be presented to the Integrated Commissioning Executive within 21 days. The Integrated Commissioning Executive, where appropriate in consultation with the Health and Well-being Board will then consider whether it needs to agree the action plan in order to reduce expenditure.

47 VAT

- The Council's VAT regime will apply to Provider Contracts
- The Council is not acting as 'agent' for NHS Thurrock CCG

48 GOVERNANCE ARRANGEMENTS FOR THE PARTNERSHIP

See Schedule 2 - Governance

49 NON FINANCIAL RESOURCES

Council contribution – Not Applicable

CCG Contribution – Not Applicable

50 STAFF

TUPE transfers and secondments are not expected to be required in order to deliver this Scheme.

Staff increments and pension arrangements of employees of the Partners will be administered in line with the relevant terms and conditions of employment under the existing contract of employment of the particular staff member.

Council staff to be made available to the arrangements

- Strategic Lead - Commissioning and Procurement
- Integrated Commissioner Unplanned Care and Re-ablement
- Commissioner for dementia and older people
- Team Manager - Contract compliance & Brokerage

CCG staff to be made available to the arrangements

- Director of Commissioning
- Joint Unplanned Care Commissioning Officer
- Chief Finance Officer
- Executive Nurse
- Head of Performance

- Senior Commissioning Manager

51 ASSURANCE AND MONITORING

See Schedule 5 – Performance arrangements

52 LEAD OFFICERS

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
Council	Catherine Wilson	Thurrock Council, Civic Offices	01375 652068	cwilson@thurrock.gov.uk	
CCG	Mark Tebbs	Thurrock CCG, Civic Offices	01375 365810	Mark.tebbs@nhs.net	

53 INTERNAL APPROVALS

The Pooled Fund will be administered in accordance with the Better Care Fund Plan, this Agreement and the Constitution of the Council. In relation to this Individual Scheme and the Services it contains; the levels of authority from the Council's Constitution, scheme of delegation and standing financial instructions will apply.

54 RISK AND BENEFIT SHARE ARRANGEMENTS

See Schedule 3 – Risk Share and Overspends

55 REGULATORY REQUIREMENTS

The regulatory requirements for NHS services are set out within the NHS standard contract and the intention is therefore to continue to use the NHS contract.

The regulatory requirements for local authority provided services are as set out within the Care Act.

56 INFORMATION SHARING AND COMMUNICATION

In addition to the general Better Care Fund consultation and engagement process, the Partners will engage with stakeholders as part of each scheme. The purpose of this work is to promote integrated services and therefore communication and engagement is at the heart of the redesign work.

Both the Partners will be involved in contract negotiations for these services and will therefore develop the required activity and performance schedules. These will be shared via the Partners' contract management teams.

Further details are contained in page 58 of the Better Care Fund Plan (Schedule 6 of this agreement).

57 DURATION AND EXIT STRATEGY

Subject to the provisions of Section 22 of this agreement this scheme or any service contained within in it may be terminated with the agreement of both the Partners.

58 OTHER PROVISIONS

- There are none.

SCHEDULE 1 – PART 2 AGREED SCHEME SPECIFICATION

BCF SCHEME 3 INTERMEDIATE CARE

59 OVERVIEW OF INDIVIDUAL SCHEME

(a) **BCF Scheme 3 Intermediate Care** (as set out in the Thurrock Better Care Fund Plan)

(b)

Our vision is to improve the current intermediate care pathways in Thurrock. Thurrock adults who do not need to be in a hospital bed, but are not fit to be discharged home (Intermediate Care) can find themselves in any one of six locations across south west Essex. Thurrock residents can be discharged from hospital to intermediate care beds which can be a long way from home. We aim to simplify the inpatient options so that more people can be seen closer to home. Where a bed is not the best solution in helping to maintain independence and wellness, patients will be given support, by neighbourhood (locality based) integrated health and care community teams. These teams will aim to provide the right care, in the right place, at the right time, every time. This new care model will be facilitated by existing community health and care teams which will be developed and enhanced to increase and capability to provide a wider skill mix to enable the ethos and delivery of care closer to or at home whenever it is clinically possible.

Further details are contained in pages 35-38 of the Better Care Fund Plan (Schedule 6 of this agreement).

(c) This Scheme is funded by the Thurrock BCF Pooled Fund in 2016/17.

60 THE ARRANGEMENTS

The Council as Host Partner will commission Services in relation to the Scheme, in exercise of both NHS Functions and Council Functions under the terms of the Pooled Fund by means of:

- A variation to the Standard NHS Contracts for 2016/17 with North East London Foundation Trust for which Thurrock Clinical Commissioning Group is a Co-ordinating Commissioner and for South Essex Partnership Trust for which Castle Point and Rochford CCG is a Co-ordinating Commissioner, and
- A Service Level Agreement for Thurrock Council's Provider Services.
- Contracts with various voluntary and private sector providers

61 FUNCTIONS

See Section 4 PARTNERSHIP FLEXIBILITIES PARAGRAPH 4.3 and 4.5

62 SERVICES

The Services are set out in the Provider Contracts and the Service Level Agreement with Thurrock Council Provider Services.

63 COMMISSIONING, CONTRACTING, ACCESS *Commissioning Arrangements*

The Council will become an associate to the CCG Health Contract with North London Foundation Trust for the first year to allow for continuity and the opportunity to develop an integrated commissioning model and approach for subsequent years

Contracting Arrangements

relevant contracts

- North East London Foundation Trust
- South Essex Partnership Trust
- Thurrock Council Provider Services
- Various voluntary and private sector providers

The Commissioners have authority to agree contract terms in line with the terms of this agreement including

- (i) contract management arrangements
- (ii) termination
- (iii) assignment

Access

Details of how Patients and Service Users will be assessed as eligible for services will be as set out in the Provider's contract and Operational Guidelines for services provided by Thurrock Council Provider Services.

64 FINANCIAL CONTRIBUTIONS

Financial Year 2016/17

HWB Board Investment	Current Service Provider	HWB Total £
Joint Re-ablement Team (JRT)	NELFT & LA	1,181,924
Mountnessing Court	SEPT	702,835
Intermediate Care Beds	NELFT	2,750,197
Collins House Intermediate Care Beds	LA	570,131
Acute & Comm beds - Social Worker	LA	30,000
JRT - Carers (2.00 WTE Band 3)	LA	49,500
Physio & OT - Enhanced MDT (Bands???)	NELFT	78,000
Medical Cover - One PA every Sat, Sun & BH	NELFT	24,750
Collins House - 5 additional beds	LA	1,140,262
		6,527,599

Financial resources in subsequent years are to be determined in accordance with the Agreement.

65 FINANCIAL GOVERNANCE ARRANGEMENTS

If during the course of monthly monitoring of activity and expenditure, a risk of overspend is identified in any of the Schemes, the Pooled Fund Manager will require a Remedial Action Plan to be produced by the provider and this will be presented to the Integrated Commissioning Executive within 21 days. The Integrated Commissioning Executive, where appropriate in consultation with the Health and Well-being Board will then consider whether it needs to agree the action plan in order to reduce expenditure.

66 VAT

The Council's VAT regime will apply to Provider Contracts

The Council is not acting as 'agent' for NHS Thurrock CCG

67 GOVERNANCE ARRANGEMENTS FOR THE PARTNERSHIP

See Schedule 2 - Governance

68 NON FINANCIAL RESOURCES

Council contribution – Not Applicable

CCG Contribution – Not Applicable

69 STAFF

TUPE transfers and secondments are not expected to be required In order to deliver this Scheme.

Staff increments and pension arrangements of employees of the Partners will be administered in line with the relevant terms and conditions of employment under the existing contract of employment of the particular staff member.

Council staff to be made available to the arrangements

- Strategic Lead - Commissioning and Procurement
- Integrated Commissioner Unplanned Care and Re-ablement
- Commissioner for dementia and older people
- Team Manager - Contract compliance & Brokerage

CCG staff to be made available to the arrangements

- Director of Commissioning
- Joint Unplanned Care Commissioning Officer
- Chief Finance Officer
- Executive Nurse
- Head of Performance
- Senior Commissioning Manager

70 ASSURANCE AND MONITORING

See Schedule 5 – Performance arrangements

71 LEAD OFFICERS

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
---------	----------------------	---------	------------------	---------------	------------

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
Council	Catherine Wilson	Thurrock Council, Civic Offices	01375 652068	cwilson@thurrock.gov.uk	
CCG	Mark Tebbs	Thurrock CCG, Civic Offices	01375 365810	Mark.tebbs@nhs.net	

72 INTERNAL APPROVALS

The Pooled Fund will be administered in accordance with the Better Care Fund Plan, this Agreement and the Constitution of the Council. In relation to this Individual Scheme and the Services it contains; the levels of authority from the Council's Constitution, scheme of delegation and standing financial instructions will apply.

73 RISK AND BENEFIT SHARE ARRANGEMENTS

See Schedule 3 – Risk Share and Overspends

74 REGULATORY REQUIREMENTS

The regulatory requirements for NHS services are set out within the NHS standard contract and the intention is therefore to continue to use the NHS contract.

The regulatory requirements for local authority provided services are as set out within the Care Act.

75 INFORMATION SHARING AND COMMUNICATION

In addition to the general Better Care Fund consultation and engagement process, the Partners will engage with stakeholders as part of each scheme. The purpose of this work is to promote integrated services and therefore communication and engagement is at the heart of the redesign work.

Both the Partners will be involved in contract negotiations for these services and will therefore develop the required activity and performance schedules. These will be shared via the Partners' contract management teams.

Further details are contained in page 58 of the Better Care Fund Plan (Schedule 6 of this agreement).

76 DURATION AND EXIT STRATEGY

Subject to the provisions of Section 22 of this agreement this scheme or any service contained within in it may be terminated with the agreement of both the Partners.

77 OTHER PROVISIONS

There are none.

SCHEDULE 1 – PART 2 AGREED SCHEME SPECIFICATION

BCF SCHEME 4 DISABLED FACILITIES GRANT

78 OVERVIEW OF INDIVIDUAL SCHEME

(a) **BCF Scheme 4 Disabled Facilities Grant** (as set out in the Thurrock Better Care Fund Plan)

(b)

The Disabled Facilities Grant (DFGs) helps to pay for major adaptations for owner occupiers, private tenants or housing association tenants.

Further details are contained in pages 38-39 of the Better Care Fund Plan (Schedule 6 of this agreement).

(c) This Scheme is funded by the Thurrock BCF Pooled Fund in 2016/17

79 THE ARRANGEMENTS

The Council as Host Partner will commission Services in relation to the Scheme, in exercise of both NHS Functions and Council Functions under the terms of the Pooled Fund by means of:

- A Service Level Agreement for Thurrock Council's Housing Services and Adults Health and Commissioning.

80 FUNCTIONS

See Section 4 PARTNERSHIP FLEXIBILITIES PARAGRAPH 4.3 and 4.5

81 SERVICES

The Services are set out in the Provider Contracts and the Service Level Agreement with Thurrock Council Provider Services.:

82 COMMISSIONING, CONTRACTING, ACCESS ***Commissioning Arrangements***

The Council will become an associate to the CCG Health Contract with North London Foundation Trust for the first year to allow for continuity and the opportunity to develop an integrated commissioning model and approach for subsequent years

Contracting Arrangements

relevant contracts
Thurrock Council Provider Services

The Commissioners have authority to agree contract terms in line with the terms of this agreement including

- (iv) contract management arrangements
- (v) termination
- (vi) assignment

Access

Details of how Patients and Service Users will be assessed as eligible for services will be as set out in the Provider's contract and Operational Guidelines for services provided by Thurrock Council Provider Services.

83 FINANCIAL CONTRIBUTIONS

Financial Year 2016/17

HWB Board Investment	Current Service Provider	HWB Total £
DFG (& former Capital Grant)	Various	899,098
		899,098

Financial resources in subsequent years are to be determined in accordance with the Agreement.

84 FINANCIAL GOVERNANCE ARRANGEMENTS

If during the course of monthly monitoring of activity and expenditure, a risk of overspend is identified in any of the Schemes, the Pooled Fund Manager will require a Remedial Action Plan to be produced by the provider and this will be presented to the Integrated Commissioning Executive within 21 days. The Integrated Commissioning Executive, where appropriate in consultation with the Health and Well-being Board will then consider whether it needs to agree the action plan in order to reduce expenditure.

85 VAT

The Council's VAT regime will apply to Provider Contracts

The Council is not acting as 'agent' for NHS Thurrock CCG

86 GOVERNANCE ARRANGEMENTS FOR THE PARTNERSHIP

See Schedule 2 - Governance

87 NON FINANCIAL RESOURCES

Council contribution – Not Applicable

CCG Contribution – Not Applicable

88 STAFF

TUPE transfers and secondments are not expected to be required in order to deliver this Scheme.

Staff increments and pension arrangements of employees of the Partners will be administered in line with the relevant terms and conditions of employment under the existing contract of employment of the particular staff member.

Council staff to be made available to the arrangements

- Strategic Lead - Commissioning and Procurement
- Integrated Commissioner Unplanned Care and Re-ablement
- Commissioner for dementia and older people
- Team Manager - Contract compliance & Brokerage

CCG staff to be made available to the arrangements

- Director of Commissioning
- Joint Unplanned Care Commissioning Officer
- Chief Finance Officer
- Executive Nurse
- Head of Performance
- Senior Commissioning Manager

89 ASSURANCE AND MONITORING

See Schedule 5 – Performance arrangements

90 LEAD OFFICERS

Partner	Name of Lead Officer	Address	Telephone Number	Email Address	Fax Number
Council	Catherine Wilson	Thurrock Council, Civic Offices	01375 652068	cwilson@thurrock.gov.uk	
CCG	Mark Tebbs	Thurrock CCG, Civic Offices	01375 365810	Mark.tebbs@nhs.net	

91 INTERNAL APPROVALS

The Pooled Fund will be administered in accordance with the Better Care Fund Plan, this Agreement and the Constitution of the Council. In relation to this Individual Scheme and the Services it contains; the levels of authority from the Council’s Constitution, scheme of delegation and standing financial instructions will apply.

92 RISK AND BENEFIT SHARE ARRANGEMENTS

See Schedule 3 – Risk Share and Overspends

93 REGULATORY REQUIREMENTS

The regulatory requirements for NHS services are set out within the NHS standard contract and the intention is therefore to continue to use the NHS contract.

The regulatory requirements for local authority provided services are as set out within the Care Act.

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In addition to the general Better Care Fund consultation and engagement process, the Partners will engage with stakeholders as part of each scheme. The purpose of this work is to promote integrated services and therefore communication and engagement is at the heart of the redesign work.

Both the Partners will be involved in contract negotiations for these services and will therefore develop the required activity and performance schedules. These will be shared via the Partners' contract management teams.

Further details are contained in page 58 of the Better Care Fund Plan (Schedule 6 of this agreement).

95 DURATION AND EXIT STRATEGY

Subject to the provisions of Section 22 of this agreement this scheme or any service contained within in it may be terminated with the agreement of both the Partners.

96 OTHER PROVISIONS

There are none.

SCHEDULE 1 – PART 2 AGREED SCHEME SPECIFICATION

Part 2 – GOVERNANCE

0.1 Integrated Commissioning Executive

The membership of the Integrated Commissioning Executive will be as follows:

CCG:

- Mandy Ansell (Chief Operating Officer(CCG)) or her successor
- Ade Olarinde (Chief Finance Officer) or his successor
- Mark Tebbs (Director of Commissioning) or his successor

or a deputy to be notified to the other members in advance of any meeting;

the Council:

- Roger Harris (Corporate Director of Adults, Housing and Health) or his successor
- Sean Clark (Director of Finance and Information Technology) or his successor
- Catherine Wilson (Strategic Lead Commissioning and Procurement) or her successor

or a deputy to be notified in writing to Chair in advance of any meeting;

0.2 Role of Integrated Commissioning Executive

0.3 The Integrated Commissioning Executive shall:

- Provide strategic direction on the Individual Schemes
- receive the financial and activity information;
- review the operation of this Agreement, including by way of formal Annual Review, and performance manage the Individual Services;
- agree such variations to this Agreement from time to time as it thinks fit;
- review risks Quarterly and agree annually a risk assessment and a Performance Payment protocol;
- review and agree annually revised Schedules as necessary; and
- request such protocols and guidance as it may consider necessary in order to enable the Pooled Fund Manager to approve expenditure from the Pooled Fund;

0.4 Integrated Commissioning Executive Support

The Integrated Commissioning Executive will be supported by officers from the Partners from time to time.

0.5 Meetings

The Integrated Commissioning Executive will meet at least Quarterly at a time to be agreed within following receipt of each Quarterly report or other reports of the Pooled Fund Manager.

The quorum for meetings of the Integrated Commissioning Executive shall be a minimum of two representatives from each of the Partner organisations. Attendees may attend meetings via telephone or teleconference facility.

Decisions of the Integrated Commissioning Executive shall be made unanimously. Where unanimity is not reached then the item in question will in the first instance be referred to the next meeting of the Integrated Commissioning Executive. If no unanimity is reached on the second occasion it is discussed then the matter shall be dealt with in accordance with the dispute resolution procedure set out in the Agreement.

Minutes of all decisions shall be kept and copied to the Authorised Officers within seven (7) days of every meeting.

0.6 Delegated Authority

The Integrated Commissioning Executive is authorised within the limit of delegated authority for its members (which is received through their respective organisation's own financial scheme of delegation) to authorise an officer of the Host Partner to enter into any contract for services necessary for the provision of Services under an Individual Scheme.

0.7 Information and Reports

The Pooled Fund Manager shall supply to the Integrated Commissioning Executive on a Quarterly basis the financial and activity information as required under the Agreement.

0.8 Post-termination

The Integrated Commissioning Executive shall continue to operate in accordance with this Schedule following any termination of this Agreement but shall endeavour to ensure that the benefits of any contracts are received by the Partners in the same proportions as their respective contributions at that time.

9 Extra-Ordinary or Urgent Meetings

If there are urgent or extra-ordinary matters to be considered the Integrated Commissioning Executive may choose to meet between the Quarterly interval in order to take decisions on urgent issues.

10. Annual Governance Statement

The Integrated Commissioning Executive will prepare an annual governance statement, which will be included in a report to the Health and Wellbeing Board, on an annual basis.

Part 3 – RISK SHARE AND OVERSPENDS

Pooled Fund Management

Overspend

- 1 The Integrated Commissioning Executive shall consider what action to take in respect of any actual or potential Overspends
- 1.1 The Integrated Commissioning Executive shall acting reasonably having taken into consideration all relevant factors including, where appropriate the Better Care Fund Plan and any agreed outcomes and any other budgetary constraints agree appropriate action in relation to Overspends which may include the following:
 - whether there is any action that can be taken in order to contain expenditure;
 - whether there are any underspends that can be dealt with by virement to or from any Individual Scheme maintained under this Agreement;
 - Subject to clause 3 below, how any Overspend shall be apportioned between the Partners, such apportionment to be just and equitable taking into consideration all relevant factors.
- 1.2 The Partners will adopt the position agreed by the Health and Wellbeing Board, that the Better Care Fund for 2015/16 (and any subsequent years if extended) should be fixed at the agreed value of the Pooled Fund (as set out in the Scheme Specifications), with the effect that any expenditure above the value of the Pooled Fund should fall to the Council or the CCG depending on whether the expenditure is incurred on the Health Related Functions (in which case the Council will be liable) or NHS Functions (in which case the CCG will be liable).

5 Reputational Risk

Both Partners have plans and policies in place to manage reputational issues. Each Partner will co-operate with the other in managing any reputational risk that may arise with that other Partner.

6. Clinical Liability

For the avoidance of doubt, the Partners will put in place insurance to cover Losses or Default Liability arising from clinical negligence by their respective organisations or contracts.

Part 4 – JOINT WORKING OBLIGATIONS

– CO-ORDINATING COMMISSIONER OBLIGATIONS

Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

- 1 The Co-ordinating Commissioner shall notify the other Partners if it receives or serves:
 - a Change in Control Notice;
 - a Notice of an Event of Force Majeure;
 - a Contract Query;
 - Exception Reports
 - and provide copies of the same.
- 1.1 The Co-ordinating Commissioner shall provide the other Partners with copies of any and all:
 - CQUIN Performance Reports;
 - Monthly Activity Reports;
 - Review Records; and
 - Remedial Action Plans;
 - JI Reports;
 - Service Quality Performance Report.
- 1.2 The Co-ordinating Commissioner shall invite the other Partners to attend any and all:
 - Activity Management Meetings;
 - Contract Management Meetings;
 - Review Meetings;and, to raise issues reasonably at those meetings in line with the objectives of this agreement.
- 1.3 The Co-ordinating Commissioner shall not:
 - vary any Provider Plans (excluding Remedial Action Plans);
 - agree (or vary) the terms of a Joint Investigation or a Joint Action Plan;
 - give any approvals under the Service Contract;
 - agree to or propose any variation to the Service Contract (including any Schedule or Appendices);
 - suspend all or part of the Services;
 - serve any notice to terminate the Service Contract (in whole or in part);
 - serve any notice;
 - agree (or vary) the terms of a Succession Plan;without the prior approval of the other Partners (acting through the Integrated Commissioning Executive) such approval not to be unreasonably withheld or delayed.
- 1.4 The Co-ordinating Commissioner shall advise the other Partners of any matter which has been referred for dispute and agree what (if any) matters will require the prior approval of one or more of the other Partners as part of that process.

- 1.5 The Co-ordinating Commissioner shall notify the other Partners of the outcome of any Dispute that is agreed or determined by Dispute Resolution.
- 1.6 The Co-ordinating Commissioner shall share copies of any reports submitted by the Service Provider to the Lead Commissioner pursuant to the Service Contract (including audit reports).
- 1.7 The Co-ordinating Commissioner shall report to the other Partners on the performance of the Individual Schemes in relation to:
- reduction in non-elective activity (general and acute)
 - admissions to residential care homes
 - effectiveness of re-ablement
 - delayed transfers of care
 - patient/ service user experience

– OBLIGATIONS OF THE OTHER PARTNER

Terminology used in this Schedule shall have the meaning attributed to it in the NHS Standard Form Contract save where this Agreement or the context requires otherwise.

- 1.8 The other Partner shall (at its own cost) provide such cooperation, assistance and support to the Co-ordinating Commissioner (including the provision of data and other information) as is reasonably necessary to enable the Co-ordinating Commissioner to:
- resolve disputes pursuant to a Service Contract;
 - comply with its obligations pursuant to a Service Contract and this Agreement;
 - ensure continuity and a smooth transfer of any Services that have been suspended, expired or terminated pursuant to the terms of the relevant Service Contract;
- 1.9 No Partner shall unreasonably withhold or delay consent requested by the Co-ordinating Commissioner.
- 1.10 Each Partner (other than the Co-ordinating Commissioner) shall:
- comply with the requirements imposed on the Co-ordinating Commissioner pursuant to the relevant Service Contract in relation to any information disclosed to the other Partners;
 - notify the Co-ordinating Commissioner of any matters that might prevent the Co-ordinating Commissioner from giving any of the warranties set out in a Services Contract or which might cause the Co-ordinating Commissioner to be in breach of warranty.

1. Introduction and context

Thurrock Council and Thurrock Clinical Commissioning Group (CCG) have expressed a clear intention to develop a more integrated approach to performance that encompasses the achievement of key objectives contained within the Better Care Fund (BCF) and other related enabling strategies.

This schedule outlines the approach to implementing a new health and social care performance scorecard. The primary aim of the scorecard will be to monitor the BCF core measures and related health, social care and public health measures contained within local strategies. It will also ensure a clear alignment with national outcomes frameworks.

The scorecard will provide a regular update to the Thurrock Integrated Commissioning Executive (ICE) and Council / CCG Boards on the performance of the BCF and related priorities. It will also be presented to the Health and Well-Being Board to enable a line of sight into health and social care performance.

2. Principles

- The Integrated Commissioning Executive (ICE) will be accountable for the scorecard and report
- Clear ownership and accountability will be established for performance measures
- Main performance monitoring tool for the Better Care Fund – replacing those currently in use
- Support integration between social care, health and public health performance measures
- Collaboration in production of the scorecard to facilitate provision of insightful commentary
- Accessible and proportionate
- Enable benchmarking with other areas

3. Alignment with national outcomes frameworks

The health and social care scorecard adopts relevant measures from the NHS, ASC and Public Health outcome frameworks where these align with local priorities. The core BCF measures also correlate with the outcome frameworks.

4. Commissioned services

Clear expectations for commissioned services and schemes from the start of the Better Care Fund in April 2015 will be set out in formal performance specifications as part of contract agreements (s75). Services / providers will be held to account for delivery of key performance measures and outcomes in relation to relevant schemes/services. Where appropriate and of benefit, these will link into the reporting process.

5. Suggested content and measures

The scorecard is attached in appendix 1.

The first four Schemes of the BCF relate to health and social care transformation and scaling up integration between health and social care. These are

BCF Scheme 1 - Prevention and Early Intervention

BCF Scheme 2 - Out of Hospital Community Integration

BCF Scheme 3 - Intermediate Care

BCF Scheme 3 - Disabled Facilities Grant.

6. Proposed reporting structure and process

The proposed reporting process is set out in the table below.

The Council and the CCG are in the process of forming an “Integrated Data Users Forum”. The forum will be cross-organisational, potentially including representatives from any organisation that collects/uses data associated with the Thurrock Health and Social care system, and wider determinants of health. The forum will be formed alongside the planning and implementation of the integrated data set and will contribute to its successful implementation. The purpose of the forum is:

- 1) To ensure the successful implementation of the integrated data set
- 2) To facilitate the use of the above, ensuring that experts of specific data sets are aware of what the data is being used for, are consulted regarding data limitations and caveats, and analyses are conducted as robustly as possible
- 3) To share and support each other in use of data, analytics and statistics
- 4) To facilitate any further data sharing
- 5) To build relationships

Formal terms of reference will be developed. Although Public Health will initiate the forum, it is not envisaged that Public Health or any one organisation will have “ownership” and outputs will not be needed to be shared with any board or executive.

Reporting process

When	What	Where
Monthly	<ul style="list-style-type: none"> • BCF core measures scorecard • Key health, adult social care and public health measures • Monthly progress/highlights plus commentary on core measures 	<ul style="list-style-type: none"> • Integrated Commissioning Executive (ICE)
Quarterly	<ul style="list-style-type: none"> • BCF core measures scorecard • Key health, adult social care and public health measures • Expanded report taking into account: <ul style="list-style-type: none"> • Additional commentary and analysis • Improvement actions e.g. scope for more detailed service input • Supplementary information e.g. from commissioned services 	<ul style="list-style-type: none"> • Integrated Commissioning Executive (ICE) • ASC DMT • CCG Board • Health & Well-Being Board
Mid Year / Annual	<ul style="list-style-type: none"> • BCF core measures scorecard • Key health, adult social care and public health measures • Expanded report taking into account: <ul style="list-style-type: none"> • Nationally available data • Benchmarking and comparative analysis e.g. trends • Additional commentary and analysis • Improvement actions e.g. scope for more detailed service input • Supplementary information e.g. from commissioned services 	<ul style="list-style-type: none"> • Integrated Commissioning Executive (ICE) • ASC DMT • CCG Board • Health & Well-Being Board

Better Care Fund Scorecard 2016/17

No	Indicator	Freq.	15/16 Outturn	National Avg. 15/16	16/17 Target	Apr -16	May -16	Jun -16	Jul -16	Aug -16	Sep -16	Oct -16	Nov -16	Dec -16	Jan -17	Feb -17	Mar -17	YTD	RAG	DOT
5.1	Total non-elective admissions in to hospital (general & acute), all age	Q			12,117 (0.3% Reduction)															<input type="checkbox"/>
5.2	Long-term support needs of older people (aged 65 and over) met by admission to residential and nursing care homes, per 100,000	M	670	668.8 (14/15)	613.6															<input type="checkbox"/>
5.3	Proportion of older people (65 and over) who were still at home 91 days after discharge from hospital into reablement / rehabilitation	Q	90.85	82.10% (14/15)	90.9%															<input type="checkbox"/>

5.4	Delayed transfers of care (delayed days) from hospital per 100,000 population (aged 18+)	Q	Q1 - 305.2 Q2 - 313.3 Q3 - 513.8 Q4 - 349.3	N/A	Q1-3 374.1 Q4 370.2															<input type="checkbox"/>	
5.5	Number of A&E attendances for people aged 65+	M	11,524		11,524																<input type="checkbox"/>
5.6	% of Adult Social Care service users who are satisfied with their services and support	A	69%	64.7% (14/15)	70%														<input type="checkbox"/>		

Part 6– BETTER CARE FUND PLAN

The Plan is available via the following link:

www.thurrock.gov.uk/how-care-is-changing/better-care-fund-plan

SCHEDULE 7 – INFORMATION GOVERNANCE PROTOCOL

The Parties will be inserting the Protocol as soon as possible after entering in to the Agreement.

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NHS England
Skipton House
80 London Road
London,
SE1 6LH
E-mail: Andrew.ridley1@nhs.net

To: *(by email)*
Councillor James Halden, Chair, Thurrock
Health and Wellbeing Board
Mandy Ansell Accountable Officer, Thurrock
Clinical Commissioning Group
Ade Olarinde, Chief Finance Officer, Thurrock
Clinical Commissioning Group
Lynn Carpenter Chief Executive, Thurrock
Council

13 July 2016

Dear colleagues

BETTER CARE FUND 2016-17

Thank you for submitting your Better Care Fund (BCF) plan for regional assurance. We know that the BCF has again presented challenges in preparing plans at pace and we are grateful for your commitment in providing your agreed plan. As you will be aware the Spending Review in November 2015, reaffirmed the Government's commitment to the integration of health and social care and the continuation of the BCF itself.

I am delighted to let you know that, following the regional assurance process, your plan has been classified as '**Approved**'. Essentially, your plan meets all requirements and the focus should now be on delivery.

Your BCF funding can therefore now be released subject to the funding being used in accordance with your final approved plan, which has demonstrated compliance with the conditions set out in the BCF policy framework for 2016-17 and the BCF planning guidance for 2016-17, and which include the funding being transferred into pooled funds under a section 75 agreement.

These conditions have been imposed through NHS England's powers under sections 223G and 223GA of the NHS Act 2006 (as amended by the Care Act 2014). These sections allow NHS England to make payment of the BCF funding subject to conditions. If the conditions are not complied with, NHS England is able to withhold or recover funding, or direct the CCG in your Health and Wellbeing Board area as to the use of the funding.

You should now progress with your plans for implementation. Ongoing support and oversight with your BCF plan will be led by your local Better Care Manager.

Once again, thank you for your work and best wishes with implementation and delivery.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'A Ridley', with a long, sweeping tail that extends downwards and to the right.

Andrew Ridley
Regional Director, South of England, and SRO for the Better Care Fund

NHS England

Copy (by email) to:

Roger Harris, Corporate Director of Adults, Housing & Health, Thurrock Council
Attu Assan, Director of Strategic Delivery, NHS England – Midlands & East (East)
Anthony Kealy, Programme Director, Better Care Support Team, NHS England

PROCUREMENT STAGE 1 – APPROVAL TO PROCEED TO TENDER

This form must be completed for all procurements above the tender threshold (£75,000 - Services and Supplies and £500,000 – Works)

If contract value is over Cabinet approval threshold (£750,000) this form shall be attached with the request to tender report to Cabinet. This form will be “Open” for Publication.

Section A: ABOUT THIS PROCUREMENT	
Title	The award of Better Care Fund contracts for Community Health Care services.
Directorate	Adults, Housing and Health
Procurement Reference Number	PS/2016/293 – NELFT; PS/2016/298 - SEPT
Contract Cost (Maximum Spend)	Enter estimated maximum cost (whole life) for the initial term plus any extensions
Budget code(s)	SE010; SE012; SE013; SE015
Introduction and Background	<p>In March 2016, Cabinet approved Thurrock’s Better Care Fund Section 75 Agreement between the Council and NHS Thurrock Clinical Commissioning Group. The Agreement allowed the creation of a pooled fund, operated in line with the conditions set within it, to promote the integration of care and support services.</p> <p>The Council is the ‘host’ organisation for the pooled fund, which means that it will need to enter into contracts with providers of Community Health Services. In view of the lateness of the receipt of approval from NHS England, Cabinet approval is sought a) to waive the requirement for a competitive procurement, and b) to award the contracts for these services in line with the Section 75 Agreement and the decision on 9 March 2016.</p>
Proposed Contract Term	1 Year (1 April 2016 to 31 March 2017)
Political Sensitivity	Not applicable

Section B: COMMISSIONING REPORT

Business Case	<p>The legal framework for the Fund derives from the amended NHS Act 2006, which requires that in each area the Fund is transferred into one or more pooled budgets, established under Section 75, and that plans are approved by NHS England in consultation with DH and DCLG.</p> <p>The terms of the Section 75 agreement means the Council is the 'host' organisation for the pooled fund. This in turn means that it will need to enter into contracts with the providers of Community Health Services in Thurrock (North East London Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust) and pay them from the Fund for the provision of services covered by the agreement.</p>
Key Deliverables (Draft Specification)	The key deliverable of the Better Care Fund is to provide integrated health and social care services as set out in the Plan approved by NHS England.
Quality v Price evaluation	The value of the contracts have been determined by NHS Thurrock CCG in negotiation with the providers (North East London Foundation NHS Trust and South Essex Partnership University NHS Foundation Trust). The performance requirements are mandated in the 2016/17 NHS Standard Contract with local variations negotiated by the CCG.
Social Value	As above.
Current / Previous Contract details	This is the 2nd year in which these contracts have been entered into by the Council. The Procurement Reference Numbers for 2015/16 were: NELFT - PS/2015/920; SEPT - PS/2015/921

FINANCIAL IMPLICATIONS

Current / Previous Contract Cost	Enter details of current/previous contract cost if applicable					
Cost Breakdown	Breakdown of Estimated Cost	16/17 £000's	17/18 £000's	18/19 £000's	Later £000's	Total £000's
	Total Spend	£	£N/A	£ N/A	£ N/A	£
Confirm Funding Breakdown Identified	Revenue Budget	£0	£ N/A	£ N/A	£ N/A	£0
	Capital Budget	£0	£ N/A	£ N/A	£ N/A	£0
	Other (NELFT)	£10,462,240	£ N/A	£ N/A	£ N/A	£10,462,240
	Other (SEPT)	£683,261	£ N/A	£ N/A	£ N/A	£683,261
	Total Funding	£11,145,501	£ N/A	£ N/A	£ N/A	£11,145,501
Budget Code(s)	SE010; SE012; SE013; SE015					
Unsupported borrowing?	Not Applicable					

Other Financial Implications	Any savings made on these contracts will be held within the Pooled Fund and used by the partners in accordance with the directions of NHS England.
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PROCUREMENT ROUTE ABOVE TENDER THRESHOLD (Choose 1(of A, B, C or D) only)	
A. COMPETITIVE PROCUREMENT (complete B if a Framework)	
Procurement Route	N/A
Procurement Justification	N/A
B. FRAMEWORK (Waiver in accordance with Rule 13.1 (c))	
Framework?	Is this a procurement from a Framework? No
Title & Reference of Framework	N/A
Framework Rationale	N/A
C. REQUEST FOR QUOTE FROM RESTRICTED MARKET (Waiver in accordance with Rule 13.1 (d))	
Restricted Market?	Is this a request for quotes from a restricted market? No
Rationale (only permitted below the EU threshold)	N/A
D. SINGLE SOURCE REASON (Waiver in accordance with Rule 13.1 (a, b or d))	
Single Source	Is this Procurement a Single Source – One Quote/Tender (<i>Exceptional circumstances only and select reason below</i>) Yes
Single Source justification below EU Threshold	<i>Select reason and explain your rationale</i> It is known that only one supplier can meet the requirement
Single Source justification above EU Threshold	If you are seeking a single tender above the EU threshold – using the “Negotiated Procedure without Prior Publication” route, this is only available in very exceptional circumstances. You must select the reason below and explain your rationale. for reasons of extreme urgency brought about by events unforeseeable by the contracting authority, the time limits for the open or restricted procedures or competitive procedures with negotiation cannot be complied with.

Single Source Rationale	<p>Guidance from NHS England stipulates that “Local partners will need to develop a joint spending plan that is approved by NHS England as a condition of the NHS contribution to the Fund being released into pooled budgets.” Approval for the plan covering the period April 2016 to March 2017 was received from NHS England on 13 July 2016.</p> <p>The lateness of the approval for Pooled Fund from NHS England, and the complexity of the services, means it is not possible for any meaningful competition to be undertaken for the provision of these services which could lead to the award of the contract before the end of 2016/17. Accordingly approval is sought a) to waive the requirement for a competitive procurement and b) to award the contracts for these services in line with the decision of Cabinet on 9 March 2016.</p>
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PROCUREMENT TIMETABLE, RISK, CONSULTATION AND MANAGEMENT

Milestones and target dates <i>(Draft)</i>	Key Event	Date
	Publication of Contract Notice or Advert	Click here to enter a date.
	Return of PQQs (omit if not applicable)	N/A
	Issue of Invitation to Tender	Click here to enter a date.
	Return of Tenders	Click here to enter a date.
	Notification of Results	Click here to enter a date.
	Standstill Period (omit if not applicable)	N/A
	Leaseholder Consultation (omit if not applicable)	N/A
	Expected date of Award	30 September 2016
	Contract Commencement	01 April 2016

Risk Management – Set out Main Risks and Mitigating Actions						
Risk	Likelihood (A – E)¹	Impact (I – IV)²	Level of Risk (High to Lower)³	Potential Negative Impact	Management / Mitigation of Risk	
Tender Process Risks						
N/A	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	
N/A	N/A	N/A	N/A	N/A	N/A	
Contract Performance Management Risks						
Securing sufficient funding to meet the costs of the contract	E	IV	Low	Loss of service	The services are fully funded to the level of the S75 Agreement	
Overspend because of increased demand	D	IV	Low	Not applicable	The pooled fund is cash limited and responsibility for funding services above the limit will fall to the CCG or Council in line with their statutory duties.	
Underspend because of reduced demand	D	IV	Low	May result in increased demand for acute services	The purpose of the pooled fund is to meet health care needs in the community where appropriate.	
Contingency Arrangements	The Council is mandated to enter into these contracts in order to deliver the Better Care Fund 2016/17. Risks and contingencies have been considered as part of the Plan and will be overseen by the Integrated Commissioning Executive.					
Consultation	A specific consultation on the establishment of the pooled fund to drivethrough the integration of health and social care services, as required underthe terms of the Health and Social Care Act 2012, was held in September andOctober 2014.					
Project and Contract Management Proposals	The contracts will be managed by the Integrated Commissioning Executive, representing Thurrock Council and NHS Thurrock CCG, in accordance with the Section 75 Agreement.					
Procurement Comments	As outlined above, the lateness of the approval for pooled fund from NHS England means it is not possible for a competitive process to take place for this contract. Consequently it has been decided that the Council must waive the requirement to tender for these services.					

¹ **Risk Likelihood:** A = Very High, B = High, C = Significant, D = Low, E = Very Low

² **Risk Impact:** I = Critical, II = Significant, III = Marginal, IV = Negligible

³ **Risk Level:** High = AI, BI, All, BII, CI, CII, all others lower

Section C: LEGAL, FINANCE AND PROCUREMENT APPROVAL

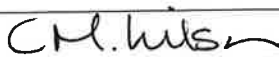

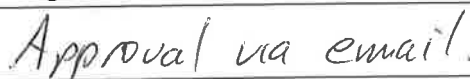
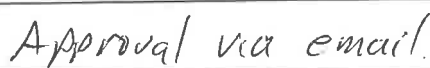
Procurement Services	Name	Kiri Mason
	Signed (Or obtain email of confirmation)	Approval via email.
	Date	08/08/2016
Legal Services (Insofar as it relates to Legal implications)	Name	Paul O'Reilly
	Signed (Or obtain email of confirmation)	Approval via email.
	Date	08/08/2016
Finance (Insofar as it relates to Finance implications)	Name	Joanne Freeman
	Signed (Or obtain email of confirmation)	Approval via email.
	Date	08/08/2016

Section D: APPROVAL TO PROCEED VALUE

The Responsible Officer must sign the form, together with the Head of Service as a minimum. Delegated Authority Limits below.

Approval Level	Over £750,000 - Cabinet
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Section E: SIGN OFF APPROVAL TO PROCEED

Confirmation by the Responsible Officer of Compliance with Contract Procedure Rules	The Responsible Officer Catherine Wilson confirms that the procurement of The award of Better Care Fund contracts for Community Health Care services and PS/2016/293 – NELFT; PS/2016/298 - SEPT has been carried out in accordance with Rule 5 of the Council's Contract Procedure Rules (Chapter 9, Part 2 of the Constitution) and in particular the following duties have been met by the Responsible Officer:	
	<ul style="list-style-type: none"> • Compliance will occur with all regulatory or statutory provisions and the Council's decision making requirements • The Contract will be included on the Council's Contract Register • Value for Money will be achieved • Advice has or will be sought from the Director of Finance and Corporate governance as to an appropriate security bond or guarantee • Document Retention Policy has and will be complied with • Financial Evaluation will be made of all the proposed tenders including the recommended bidder • Advice has been and will be sought and followed from Procurement, Legal and Finance as necessary 	
	Signed	
	Date	08 August 2016
Approval to Proceed	In accordance with the Contract Procedure Rules, I/we confirm the accuracy of the information contained within this form and authorise this request to Proceed to Tender including, where relevant, the permitting of a Waiver from the Contract Procedure Rules in accordance with Rule 13	
Head of Service	Name	Catherine Wilson
	Signed (Or obtain email of confirmation)	
	Date	08 August 2016
Corporate Director <i>I confirm that the Portfolio Holder has been consulted as required</i>	Name	Roger Harris
	Signed (Or obtain email of confirmation)	
	Date	08 August 2016
Director of Finance & IT <i>If waiver required</i>	Name	Sean Clark
	Signed (Or obtain email of confirmation)	
	Date	08 August 2016
Cabinet	Approval Minute Number	Click here to enter text.
	Date	07/09/2016
Now send complete form to Procurement Services signed and scanned (with emails if used)		

