



County Offices
Newland
Lincoln
LN1 1YL

8 June 2017

Highways and Transport Scrutiny Committee

A meeting of the Highways and Transport Scrutiny Committee will be held on **Friday, 16 June 2017 at 10.00 am in Committee Room One, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Tony McArdle', written over a horizontal line.

Tony McArdle
Chief Executive

Membership of the Highways and Transport Scrutiny Committee
(11 Members of the Council)

Councillors M Brookes (Chairman), C J T H Brewis (Vice-Chairman), Mrs W Bowkett, Mrs J Brockway, Mrs K Cook, M A Griggs, R Grocock, R A Renshaw, S P Roe, A N Stokes and E W Strenziel

**HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE AGENDA
FRIDAY, 16 JUNE 2017**

Item	Title	Pages
1	Apologies for Absence/Replacement Members	
2	Declarations of Members' Interests	
3	Minutes of the previous meeting of the Highways and Transport Scrutiny Committee held on 27 February 2017	5 - 10
4	Announcements by the Chairman, Executive Councillors and Chief Operating Officers	
5	Highways and Transport 'Who we are and What we do' <i>(To receive a report and presentation from Senior Officers which provides the Committee with an introduction to the Highways and Transport Scrutiny Committee and the services which are included in the Council's Commissioning Strategies for sustaining and developing prosperity through infrastructure)</i>	11 - 18
6	Lincolnshire Highways Alliance (LHA) Replacement - (Highways 2020) <i>(To receive a report from Paul Rusted, Infrastructure Commissioner, which describes the actions that will be required to ensure appropriate arrangements are in place to provide service delivery continuity when the three contracts that form part of the Lincolnshire Highways Alliance reach their full term by 31 March 2020)</i>	19 - 26
7	Engaging with Midlands Engine and Midlands Connect <i>(To receive a report from Justin Brown, Enterprise Commissioner, which describes the work of the Midlands Engine partnership and considers how Lincolnshire County Council (LCC) should engage with the partnership)</i>	27 - 40
8	Highways and Transport Scrutiny Committee Work Programme <i>(To receive a report from Daniel Steel, Scrutiny Officer, which provides the Committee with an opportunity to consider its own work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit)</i>	41 - 48

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Please note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

All papers for council meetings are available on:
www.lincolnshire.gov.uk/committeerecords



**HIGHWAYS AND TRANSPORT
SCRUTINY COMMITTEE
27 FEBRUARY 2017**

PRESENT: COUNCILLOR M BROOKES (CHAIRMAN)

Councillors M G Allan, D Brailsford, T Bridges, K J Clarke, R L Foulkes, R G Fairman, N M Murray, Mrs A M Newton and A H Turner MBE JP

Councillors: Mrs S Ransome and R A Renshaw attended the meeting as observers

Officers in attendance:-

Steve Blagg (Democratic Services Officer), Mike Coates (Highways Assessment and Laboratory Manager), Richard Fenwick (Highways Officer), Richard Hardesty (Senior Project Leader), John Monk (Group Manager (Design Services)), Paul Rusted (Infrastructure Commissioner), Daniel Steel (Scrutiny Officer), Steve Willis (Chief Operating Officer, Development Services) and David Walton (Major Schemes and Design Commissioner)

48 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

An apology for absence was received from Councillor P J O'Connor.

The Chief Executive reported that under the Local Government (Committee and Political Groups) Regulations 1990, he had appointed Councillor A Bridges, in place of Councillor A G Hagues, for this meeting only.

49 DECLARATIONS OF MEMBERS' INTERESTS

No declarations were made at this stage of the meeting.

50 MINUTES OF THE PREVIOUS MEETING OF THE HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE HELD ON 23 JANUARY 2017

RESOLVED

That the minutes of the previous meeting held on 23 January 2017, be agreed as a correct record and signed by the Chairman.

51 ANNOUNCEMENTS BY THE EXECUTIVE COUNCILLOR FOR HIGHWAYS, TRANSPORT AND IT AND CHIEF OPERATING OFFICER

No announcements were made.

**52 PERFORMANCE REPORT, QUARTER 3 - (1 OCTOBER TO 31
DECEMBER 2016)**

The Committee received a report in connection with the performance of the highways service for quarter 3 (1 October to 31 December 2016), including the National Highways and Transportation Survey, Lincolnshire Highways Alliance, Major Highway schemes update and the Customer Satisfaction information.

Comments made by the Committee and the responses of officers included:-

- How were carbon savings calculated? Officers stated that in a large county like Lincolnshire efforts were being made to reduce unnecessary travel although it was not just vehicles which were responsible for the increase in carbon levels. There was a need to achieve more accuracy in the planning of highway works.
- What was the procedure for dealing with complaints to repair street lights? Officers stated that the priority was to deliver the Street Lighting Transformation project first to achieve the necessary savings requested by the Council and then to return and repair those lights not working at the end of March 2017. The performance targets were being met for the project and emergency repairs within the context of the performance indicators.
- A number of comments were made in connection with the public rail crossing footbridges in Lincoln, Spalding and Sleaford? Officers stated that Network Rail was addressing snagging issues in connection with the walking surfaces at the High Street bridge and the County Council would not assume responsibility until the impact of weather conditions was known. Officers stated that there was no proposal by Network Rail for the bridge on the Brayford to be disabled compliant as there was already provision for the disabled at the High Street bridge. Also, Network Rail might refuse to build the Brayford bridge if the Council insisted that the bridge was disabled compliant. The Environment Agency had also objected to the planning application for the Brayford bridge due to the need for Network Rail to remove rubbish from the Brayford near the proposed bridge and if the bridge was disabled compliant this could not be achieved. Officers stated that they were in discussions with Network Rail about the bridges at Sleaford and Spalding and as soon as the walking surfaces had been addressed then the Council would adopt both bridges. The High Street bridge was the responsibility of Network Rail.
- Officers would speak to Councillor N Murray outside of the meeting in connection the reporting of highways' complaints through the Customer Services Centre.

RESOLVED

That the report, the comments made by the Committee and responses of officers be noted.

53 STREET LIGHTING TRANSFORMATION PROJECT UPDATE

The Committee received an update of the street lighting transformation project as at 26 January 2017. The project was designed to achieve savings of £1.7m a year following a capital investment of £6.4m. 47,815 lights had been adjusted to date and had delivered over 40% reductions in street lighting electricity usage so far. The project was due to underspend by approximately £650,000 which was, in part, due to value engineering efficiencies by the Kier street lighting crews as part of the Highways Alliance.

Officers stated that of the 12,000 faults reported 2,500 faults were still outstanding at 14 February 2017, 3% of the total. There had been a reduction in the rate of mending non-emergency lighting during the period of transformation and from 1 April 2017 following the completion of the project all faults would be addressed.

Comments by the Committee and responses by officers included:-

- The effect on crime rates since the project had commenced. Officers stated that a comprehensive report on the effects of the project would be provided for Members twelve months on from the completion of the project. This would allow for seasonal variations in crime/road traffic accidents to be taken in account. Results from those areas nationwide which had followed a similar project had seen a reduction in crime of up to 24% and up to 29% reductions in anti-social behaviour. The Lincolnshire Road Safety Partnership's advice was sought where appropriate and officers were not aware of any increase in accidents as a result of the lights being turned off. Officers explained how the LRSP had carried out its examinations.
- A member stated that Holton le Clay Parish Council had not been consulted about the project. Officers stated that all Parish and Town Councils had been consulted before the start of the project and in the case of Holton le Clay they had been consulted in August 2016. Also, no responses had been received from those Parish Councils which had the A16 running through their area, in relation to proposed switch offs of lights on that route.
- The final report should include a cost/benefit analysis and made available to the public.
- Officers stated that street light columns that had been switched off would be left in place rather than remove them. The findings of the "twelve month on" report would be used to inform future removal.
- Had there been any medical effects following the use of LED lighting. Officers stated that no incidents had been reported. LED lighting was more directionally focused than the traditional sodium lighting but the latter caused more light pollution. Trials on the use of "warm white" LED lighting were being examined in Lincoln with the prospect of its introduction countywide as part of normal asset replacement but this was a long term project. In the meantime, any broken lighting, beyond economical repair, was considered for replacement by LED lighting and LED lighting was being installed on new developments.
- The public wanted an assurance that street lights would be repaired as quickly as possible. Officers stated that the project had been very intensive with the

**HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE
27 FEBRUARY 2017**

need to visit 58,000 lights in one year. Some local authorities nationwide had allowed a longer time to complete their transformation projects. It was the Council's policy that the transformation project should be completed before any repairs took place. The project was due to complete during March at which all street lighting crews would focus on fault repairs. Normal street lighting fault response times (10 working days) would be reinstated from April 2017.

- Officers explained the criteria to deal with requests for lights to be kept on.

RESOLVED

That the report, the comments made by the Committee and the responses of officers, be noted.

54 HIGHWAYS ASSET MANAGEMENT STRATEGY

The Committee received a report and presentation in connection with the Highways Asset Management Strategy. The views of the Committee were sought on the Strategy before it was considered by the Executive Councillor for Highways, Transport and IT.

Officers gave a brief description of the Strategy whose purpose was to formalise strategies for investment in key highway asset groups; define affordable service standards; improve how the highways assets were managed and enable a more effective and efficient highways service to be delivered.

Comments made by the Committee and the responses of officers included:-

- £10b of highway assets was significant money. Roads were important for the economic wellbeing of the county and investment and maintenance was critical. However, highways investment in the county was low.
- The use of the Lagan system could result in service efficiencies.
- Was more funding expected from the Government because of the damage caused by HGVs to the road structure? Officers stated that funding provided by the Government was based on road length in each area.
- What measures were in place to mitigate damage to bridges? Officers stated that the Council could not monitor all bridges and measures were in place to restrict the use of some bridges. Bridges were inspected on a regular basis.
- Some footpaths were in need of repair. Officers stated that footpaths were inspected and a risk assessment undertaken out before any repairs were carried out.
- Many road signs and white lining on roads were in need of refurbishment. Officers stated that there had been a 25% reduction in the revenue budget in this area in recent years.

RESOLVED

(a) That the report, comments made by the Committee and the responses of officers, be noted and that the recommendations to the Executive Councillor for Highways, Transport and IT, be unanimously supported.

(b) That the presentation given to the Committee be circulated to all Members.

55 HIGHWAYS ASSET MANAGEMENT PLAN

The Committee received a report in connection with the Highways Asset Management Plan which set out the Council's highway maintenance policies, legal duties and standards. The Plan was due to be submitted to the Executive Councillor for Highways, Transport and IT for approval and the views of the Committee were sought.

The Plan detailed any deviation from national guidance set out in "Well Managed Highway Infrastructure – A Code of Practice". The policy was in need of review in 2017 due to revisions to internal operating procedures as a result of budget pressures, including grass cutting and drainage cleansing.

Comments made by the Committee and the responses of officers included:-

- Officers stated gully cleansing had been examined and from past practice some gulleys had been cleaned which did not need to be cleaned on a regular basis and some required more frequent cleaning.
- The effects of the reduction in the cutting of verges on the local economy and road safety. Officers stated a range of different services were being provided across the whole of the network in the county by the County and District Councils depending on local factors. The Council had a duty to ensure highway signs were clear for motorists. Safety cuts of highway verges in urban areas would take place twice a year, all Parish and Town Councils had been informed about the proposals and the Council could offer funding, in certain circumstances, to help them. Officers agreed to write to all Members about what was happening in their own area.

RESOLVED (all in favour with 1 vote against)

(a) That the report, comments made by the Committee and the responses by officers, be noted.

(b) That the recommendation to the Executive Councillor for Highways, Transport and IT, to approve the Highways Asset Management Plan, detailed in Appendix A of the report, including the removal of amenity grass cutting and revised maintenance frequencies to drainage cleansing, be supported.

56 GRANTHAM SOUTHERN RELIEF ROAD - FINANCIAL APPROVAL TO
AWARD CONTRACT FOR GRADE SEPARATED INTERCHANGE, KING
31, PHASE 2

The Committee received a report in connection with the award of a contract for the King 31 Phase 2 Grade Separated Interchange on the A1 for the Grantham Southern Relief Road, which was due to be considered by the Executive Councillor for Highways, Transport and IT between 1 and 8 March 2017.

In response to an enquiry in connection with the funding of Phase 2, officers explained that the £20m was fully funded by grant and Phase 3 would be funded in part by a S106 agreement from housing.

RESOLVED (unanimous)

(a) That the report, comments by the Committee and the responses of officers be noted.

(b) That the recommendations to the Executive Councillor for Highways, Transport and IT, detailed in Appendix 1 of the report, be supported.

57 HIGHWAYS AND TRANSPORT SCRUTINY COMMITTEE WORK
PROGRAMME

The Committee received its Work Programme.

The Chairman stated that this was the last meeting of the Committee in its current format and thanked Members and officers for their support over the last four years.

RESOLVED

That the Committee's Work Programme be noted.

The meeting closed at 1.00 pm

**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

Report to:	Highways and Transport Scrutiny Committee
Date:	16 June 2017
Subject:	Highways and Transport 'Who we are and What we do'

Summary:

The purpose of this item is to provide an introduction to the Highways and Transport Scrutiny Committee and the services which are included in the Council's Commissioning Strategies for sustaining and developing prosperity through infrastructure.

Actions Required:

Members of the Highways and Transport Scrutiny Committee are invited to consider a presentation on the work of sustaining and developing prosperity through infrastructure.

1. Background

This report is designed to highlight the key areas and issues on which the Highways and Transport Scrutiny Committee might expect to receive reports and/or might wish to consider seeking an input into. There are linkages that will exist between the work of this committee and the work of the Environment & Economy Scrutiny Committee because of the linkages between the commissioning strategies and the service activities delivering those strategies.

The report provides:

- An overview of the organisational structure and identifies senior managers and their key roles;
- The context of the commissioning and delivery arrangements within the service areas;
- An overview of current key issues, priorities and challenges on which scrutiny might be involved.

Organisational Structure

Richard Wills is the Director of Environment and Economy with the services managed by Andy Gutherson and Steve Willis being those that would expect to report to the Highways & Transport Scrutiny Committee. A structure chart is attached as Appendix B.

Commissioning strategies

Lincolnshire County Council is a commissioning council. This means that Councillors can expect a consistent approach to the way that services are delivered. These can be summarised as:

- Measuring and agreeing need
- Understanding expectations
- Agreeing priorities and plans
- Planning and commissioning activity
- Monitoring and reviewing performance
- Holding deliverers to account
- Improving outcomes

Generally commissioning should be used whenever one of the following triggers occurs:

- Market change;
- New or changed service requirement;
- Changing Council priorities;
- Contract renewal
- Current delivery not fit for purpose;
- Budget pressures;
- Time since last review

Examples relating to some of these triggers are included in the report to highlight activity that the committee could be involved in. There are three commissioning strategies that are directly relevant to the work of both the Highways & Transport and Environment & Economy Scrutiny Committees and. These are:

1. Sustaining and growing business and the economy
2. Sustaining and developing prosperity through infrastructure
3. Protecting and sustaining the environment

Together these strategies have the overall purpose of facilitating economic growth. The linkages between the strategies are therefore as important as each of the individual strategies in their own right. A key message for consideration by the committee is *"to be able to recognise and understand the linkages required to drive the economy of the County and the partnerships that are central to ensuring that occurs"*.

Most of the committee's interaction will be with commissioners, but deliverers both within the County Council and external to the organisation are crucial to ensuring services deliver our priorities. There will therefore be occasions where the focus of the committees will be on scrutinising delivery activity and performance.

Scrutinising Highways & Transport

Officers are preparing each of the commissioning strategies and will bring them to the committees for advice, input, and prior scrutiny. The approach to commissioning strategies will require:

- A need to think strategically
- Clarity on the evidenced need
- An accuracy and robustness in justifying the benefits that are likely to be achieved
- A focus on outputs that will drive economic growth
- Early engagement with national bodies
- Engagement with private sector developers and development of partnership arrangements with other providers to unblock infrastructure barriers
- Effective political engagement

Officers will work with the Highways & Transport Scrutiny Committee on these requirements.

There are specific arrangements in place for members of the public to contact the Council about project specific problems and/or incidents. These channels of communication should also provide Councillors with the means with which to get clarity on specific matters occurring in their area and confidence that the matter is being dealt with effectively. Knowledge of those local issues should enable Councillors to influence the commissioning strategies and the configuration of services but unless there is evidence of systematic service failure the focus of scrutiny should not be on individual localised issues.

Detail contained within commissioning strategies

The attached Appendix A shows that the Highways and Transport teams have a series of specific actions within each of the commissioning strategies. It also shows that an overarching purpose is to support and facilitate economic growth, although it must be stressed that this is not economic growth at all costs. Maintaining the quality of life in Lincolnshire is essential and therefore the way in which our other activities facilitate the delivery of the right sort of economic growth is key. Our transport system is an integral part of that quality consideration and the way in which the system is designed, managed and maintained is key.

The strategy for economic growth is set out in the Strategic Economic Plan <https://www.greaterlincolnshirelep.co.uk/priorities-and-plans/strategies-and-plans/> which was prepared by the Greater Lincolnshire Local Enterprise Partnership (GL LEP) and endorsed by all of the Councils in Lincolnshire as well as the unitary authorities of North Lincolnshire and North East Lincolnshire.

The County Commissioner (Environment and Economy) is Andy Gutherson (andy.gutherson@lincolnshire.gov.uk 01522 554827).

The Infrastructure Commissioner is Paul Rusted (paul.rusted@lincolnshire.gov.uk 01522 553071). The infrastructure commissioning strategy contains the following actions:

- Transport Commissioning, including Bus Network Support
- Highway Network Management and Highways maintenance
- New transport investments including highways improvements
- Economic Development Projects including Broadband

The Environment Commissioner is David Hickman (david.hickman@lincolnshire.gov.uk 01522 554809). The environment commissioning strategy contains the following actions:

- Reducing Carbon Emissions
- Flood risk management
- Protecting and Enhancing the Natural and Built Environment
- Waste Management
- Waste recovery and Recycling
- Sustainable Planning

The Enterprise Commissioner is Justin Brown (Justin.brown@lincolnshire.gov.uk 01522 550630). The enterprise commissioning strategy contains the following actions:

- Improving Skills and Employability
- Encourage enterprise through support to business and our Growth Sectors
- Attracting and Expanding Business Investment
- Lobbying and attracting funding for Lincolnshire

Areas that require joint consideration

Previously the subjects to be addressed by the Highways & Transport and Environment & Economy Scrutiny Committees were considered by three committees. However, a review of the Council's committee structure identified that added value could be achieved by bringing the three subjects together in a way that strengthens the clear relationship between environment, economy, and transport, lead to better scrutiny and decision making and also provide the opportunity for earlier and more detailed political engagement in the commissioning process ahead of the formal decision making process.

A work programme has been prepared for the Highways & Transport and Environment & Economy Scrutiny Committees. The work programme will seek to:

- Ensure that our existing best practice approach for managing and maintaining our transport system ensures continued recognition from DfT (Department for Transport) and other highway authorities;
- Ensure an understanding and awareness of inward investment activity and where related County Council infrastructure investment activity will facilitate greatest benefit e.g. strategic work such as the Strategic Infrastructure Delivery Plan (SIDP) and projects such as Lincoln Eastern Bypass (LEB), Grantham Southern Relief Road (GSRR).

- Ensure contract and performance management of our Alliance partners and scheme contractors ensuring both quality of delivery and value for money is achieved;
- Ensure day to day management of the highway network to ensure confidence exists about the systems in place to respond to issues on the network;
- Ensure effective highways advice is provided to Developers and District Planning Authorities;
- Ensure public transport provision meets people's needs and contributes to ensuring access to services is maintained in health, social care, education and business;
- Ensure the provision of an effective winter maintenance service;
- Align transportation benefits with a public health agenda;
- Ensure that there is clarity about how Lincolnshire's aspirations are addressed in a wider economic context e.g. relationship to the Midlands Engine;
- Ensure that the importance of partnership working across the public sector occurs e.g. the liaison required with other national bodies such as Network Rail; Environment Agency, Highways England, the Homes and Communities Agency and local bodies including District Councils, the University of Lincoln;
- Ensure that partnerships needed with the private sector are developed to ensure delivery of shared objectives e.g. the Greater Lincolnshire LEP (GLLEP), landowners, investors, developers and commercial partners such as Investors in Lincoln;
- Ensure effective political input into policy development work e.g. Local Plan production and adoption, operational policy requirements;
- Appropriate access to performance information and reporting by exception on matters of concern;
- Ensure an awareness of matters of national significance and upon which the Council may need to take a view and/ or lobby effectively e.g. The Industrial Strategy, Rail Franchise processes;
- Ensure awareness of and input to contract award processes e.g. Highways Alliance Contract Replacement;
- Ensure awareness and endorsement of proposed service delivery changes and review of the impact of those changes eg implementation of the Highways Future Operating Model;
- Ensure knowledge of programmes of work and key individual projects. This will ensure effective input into pre-decision scrutiny consideration of key decisions e.g. Broadband Programme, Major highways schemes e.g. LEB, construction projects e.g. Holbeach Food Enterprise Zone (FEZ).

It is likely that some of the main considerations will be:

- Are we maximizing our funding and investment opportunities?
- Are we working effectively in partnership?
- Are our investments supporting economic growth?
- How can infrastructure investment be best prioritised?
- Where investments which support growth are being made, how can they be done in a way which preserves quality of life?

2. Conclusion

In summary, the work of the services involved in delivering the commissioning strategy is wide and varied. The Highways & Transport Scrutiny Committee will have an important role to play in shaping that work, performing pre-decision scrutiny and scrutinising progress against the commissioning strategies. That work will be most effective when the scrutiny committee addresses those subjects where the different departments' services connect together.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

Not Applicable

b) Risks and Impact Analysis

Not Applicable

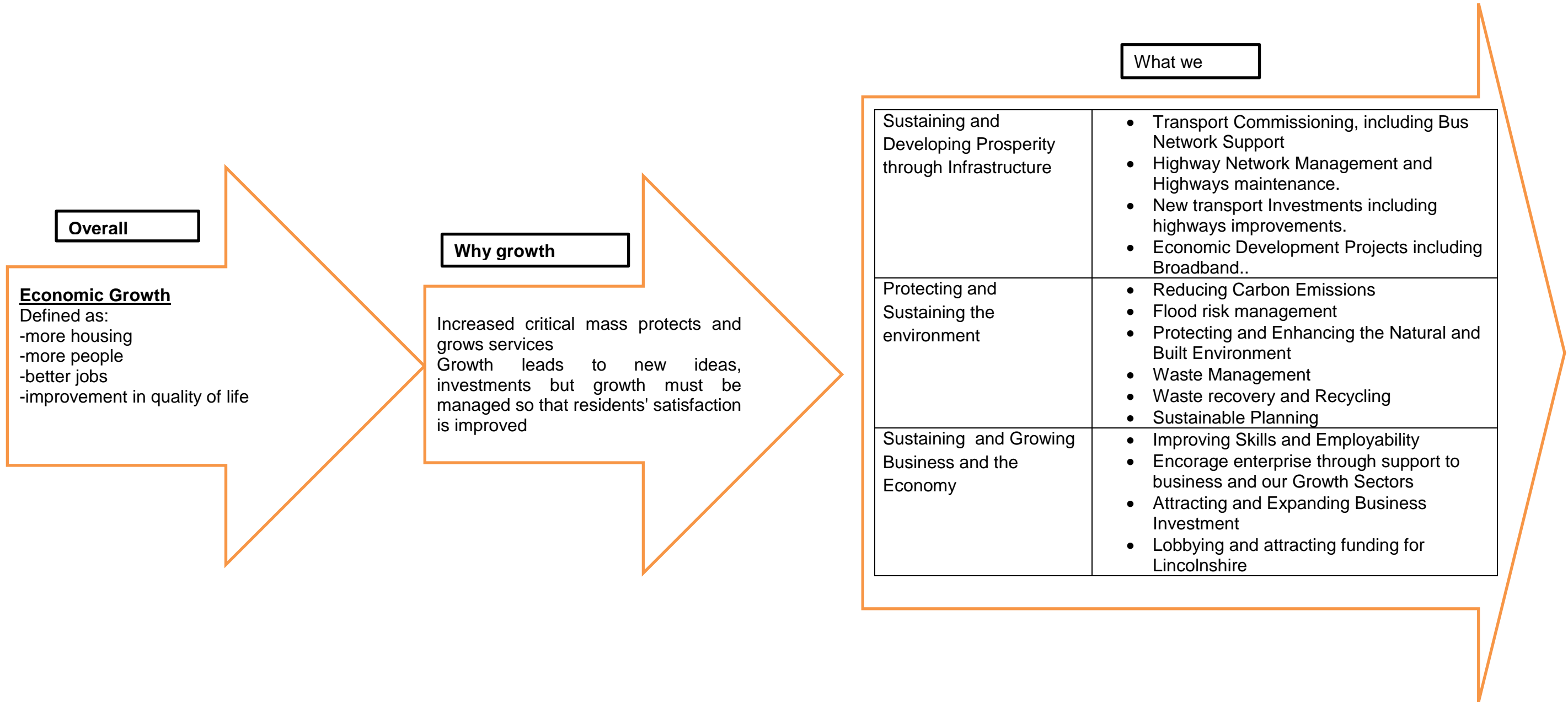
4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Sustaining and Developing Prosperity through Infrastructure
Appendix B	Environment and Economy Structure Chart

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Andy Gutherson (County Commissioner for Economy and Place), who can be contacted on 01522-554827 or by e-mail at Andy.Gutherson@lincolnshire.gov.uk



Executive Director for Environment and Economy (ED)
(Director of GLLEP Ltd and Chairman of Transport Connect Board)



**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

Report to:	Highways and Transport Scrutiny Committee
Date:	16 June 2017
Subject:	Lincolnshire Highways Alliance (LHA) Replacement - (Highways 2020)

Summary:

The three contracts that form part of the Lincolnshire Highways Alliance (LHA) will reach their full term by 31st March 2020. This report describes the actions that will be required to ensure that appropriate arrangements are in place to provide service delivery continuity.

Actions Required:

Members of the Highways and Transport Scrutiny Committee are invited to consider and comment on the report and:

- 1) Support the suggested next steps and Project Plan included as part of the report, and;
- 2) Highlight any additional priorities for officers to consider as part of the contract development process.

1. Background

The three contracts that form the Lincolnshire Highways Alliance (LHA) began on 1st April 2010 and are due to reach full term on 31st March 2020 following the award of the final extension.

The three individual contracts are,

- Highway Works Term Contract
- Traffic Signals Term Contract
- Professional Services Contract

The Highway Works Term Contract delivers the majority of highway works up to an individual project value of £200k including, surfacing, patching, surface dressing, drainage, street lighting, bridges/structures, signs, lines, grass cutting, weed control, drainage cleansing, emergency response and winter maintenance. Spend through this contract is historically between £30 – 35 million per annum.

The Traffic Signals Term Contract delivers all the maintenance and improvement work to our existing signals and controlled crossings together with the provision of new signal installations. Spend through this contract is usually around £1million.

The Professional Services Contract provides access to professional consultancy services including, highway and drainage design, transport modelling, planning advice, ecology and archaeology expertise. Spend through this contract varies depending on factors such as the design of major schemes but is usually between £2 – 4million.

Work began on the Lincolnshire Highways Alliance in 2007 with a preliminary report to the Highways Policy Development Group, the precursor to the Scrutiny Committee. That resulted in the contract arrangements at that time being extended to align with a 1st April 2010 replacement target.

A Steering Group and Working Group were established to progress the project. Exploratory visits were carried out to a number of Authorities considered to be delivering innovation and/or high performance in one or a number of related areas which included Kent, North Yorkshire and Worcestershire.

External facilitation from the Collaborative Working Centre (CWC) was procured to support the options appraisal process. This took into account the work that had been done to develop an Outline Business Case for a Highways Private Finance Initiative (PFI) bid, the Authority's appetite for risk and our core ability to manage any proposed delivery vehicle.

The eventual decision to progress with the LHA reflected all the exploratory work, Member preference for the retention of some control over decision making and our best effort to provide flexibility for the future.

The chosen solution was highly innovative at the time and captured a number of areas of best practice from the projects knowledge capture exercise. We were one of the first Authorities to adopt the New Engineering Contract (NEC) 3 Term Service Contract and our template informed the subsequent Midlands Highways Alliance (MHA) and Highways Maintenance Efficiency Programme (HMEP) model documents. Our use of the X12 Contract Clause to link contracts remains class leading and the linked performance management system is still being used nationally as an example of best practice.

A Senior Project Leader has already been appointed to progress this work and initial option appraisal work has commenced. A draft timetable for the work can be found as Appendix A.

Discussion

The LHA model has stood the test of time as one of the few long term contractual arrangements to reach full term. Even after so many years it remains one of the template delivery models for highways services.

Sentiment towards large contracts is changing after so many publicised issues and service failures, suggesting that we should consider smaller packages of work with the perception of greater control and flexibility. This would replicate a model that we used in the 1990's which was not entirely successful with smaller suppliers providing varying degrees of service delivery quality. This type of delivery would also require a greater contract management resource for drafting, letting and managing the increased number of contracts. A move to this model would potentially compromise our ability to achieve the Band 3 Status for the Department for Transport Assessment Process as it may be difficult to evidence contract and delivery efficiency against the existing criteria. Failure to achieve Band 3 status would result in a reduction of our Capital Maintenance Grant of up to £5million.

One of the perceived benefits of one larger contract is the ability to provide the circa 90 drivers required to provide the winter maintenance service. Any change in the model will need to reflect this primary service need.

The mixed economy model for professional services allows us to "top up" our in house design capacity to deliver peaks of work or to provide specialist knowledge not retained by Lincolnshire's own staff. Both iterations of this model have broadly delivered on this aim and allowed us to retain an in house intelligence capability which helps to optimise our approach to design risk costs.

The traffic signals contract continues to deliver exceptional levels of innovation with resulting efficiency improvements. The ability to retain a sustainable nucleus of client ability remains a long term concern which will need to be a focus for the option appraisal work.

All of the current contracts are based on the NEC3 Suite of Contracts which are about to be replaced by the enhanced version of NEC4. We are likely to continue the use of some form of NEC contract so will need to ensure key individuals are updated on the new provisions.

Option Appraisal

The eventual choice of option will depend on a variety of factors including:-

- The overall objectives for the service, short, medium and long term
- Client capability and capacity
- The appetite for, and capacity to manage risk
- The wider perception of the delivery vehicle value

Likely options with general characteristics include the following, (some options can be used in combination to deliver different aspects of the highway service)

- Private funding (PFI 2 if it materialises)
- Single Provider – most services transferred to a private sector partner with small retained client
- Multiple providers – authority procures individual services from different providers such as gulley emptying, grass cutting etc.

- Framework – more than one provider with similar skill set to allow mini competitions to be held for work packages
- Joint venture – separate legal entity required with small client function for contract management
- In-house with top up – not a likely option for works delivery for Lincolnshire given its long history of contracting out but this is the current Technical Services Partnership (TSP) model
- Teckal – wholly owned Council Company with some trading advantages
- In-house – not a likely option for Lincolnshire given its history of contracting out
- Further use of regional frameworks such as the Professional Services Contract available through the MHA

Moving through the spectrum of options from a framework through to private funding tends to increase the provider risk. Moving from a joint venture through to in house provision tends to increase the employers risk.

There is a range of national performance data indicating high performing highway authorities:-

1. The Department for Transport Self-Assessment Process suggests Durham and Lincolnshire are the top two highway authorities
2. The CQC Performance Benchmarking process identifies high performers in a range of highway and transport related services
3. A further iteration of the Cost and Value for Money Benchmarking produced independently

Analysis of this range of data is currently underway to see if any conclusions can be drawn which may help to inform our option appraisal work.

Suggested Next Steps

1. **Set up an initial Working Group to begin evidence gathering and analysis (some work is already ongoing)**
2. **Complete a series of fact finding visits to other highway authorities that may help to inform our work**
3. **Set up a Steering Group including member involvement**
4. **Produce regular update papers to Scrutiny Committee to ensure appropriate member engagement**
5. **Plan an Option Appraisal Workshop in July, utilising the outputs from the fact finding visits to ensure that work can continue over the summer recess period. Consider using the HMEP Procurement Options Toolkit and the use of independent external facilitation**

2. Conclusion

This report provides the background for our current contract arrangements and sets out the initial work required to put in place replacement contractual arrangements for 2020 and beyond.

The intention will be to ensure engagement takes place with Members throughout the process to inform the option appraisal process and ensure that the contract award to be made reflects political and community expectations on how our highway network is managed and maintained.

Members are encouraged to question the information being presented in this report and highlight any additional priorities for officers to consider as part of the contract development and award process, which will become a key focus of the Scrutiny work programme.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

N/A

b) Risks and Impact Analysis

A full risk and impact analysis will be carried out at the beginning of the project and throughout its duration.

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Lincolnshire Highways Alliance Renewal Project Plan

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Paul Rusted, Infrastructure Commissioner, who can be contacted on 01522 553071 or paul.rusted@lincolnshire.gov.uk.

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HIGHWAYS ALLIANCE RENEWAL 2020

ID	Task Name	Start	Finish	Duration	Timeline																											
					1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q		
1	Commence Project	Wed 01/03/17	Wed 01/03/17	0 days	01/03																											
2	Scope	Mon 03/04/17	Fri 29/09/17	143.78 days	[Gantt bar]																											
3	Identify Contracts Coverage	Mon 03/04/17	Fri 22/09/17	27.03 wks	[Gantt bar]																											
4	Project Initiation Document	Thu 04/05/17	Wed 28/06/17	8.65 wks	[Gantt bar]																											
5	Project Brief	Mon 03/04/17	Tue 05/09/17	123 days	[Gantt bar]																											
6	Commissioning Plan	Mon 03/04/17	Tue 05/09/17	123 days	[Gantt bar]																											
7	Contract Types	Wed 01/03/17	Mon 04/06/18	363.76 days	[Gantt bar]																											
8	Identification & Preparation Steering Group	Mon 03/07/17	Fri 28/07/17	4.32 wks	[Gantt bar]																											
9	Identification & Preparation Working Group	Mon 03/07/17	Fri 28/07/17	22.1 days	[Gantt bar]																											
10	Identify Specialisms, Audit Finance Legal	Mon 31/07/17	Fri 25/08/17	4.32 wks	[Gantt bar]																											
11	Engage with Traffic Signals	Mon 03/04/17	Mon 11/12/17	200 days	[Gantt bar]																											
12	Workshops Review	Mon 05/06/17	Mon 26/06/17	17 days	[Gantt bar]																											
13	Workshop/Identify Options Appraisal	Mon 03/07/17	Fri 07/07/17	1.08 wks	[Gantt bar]																											
14	Refine Scoping Issues	Mon 10/07/17	Fri 14/07/17	1.08 wks	[Gantt bar]																											
15	Outline Contract Management Structures	Mon 17/07/17	Fri 28/07/17	2.16 wks	[Gantt bar]																											
16	Evaluate Options	Mon 31/07/17	Fri 18/08/17	3.24 wks	[Gantt bar]																											
17	Report for Committee	Mon 21/08/17	Fri 29/09/17	6.49 wks	[Gantt bar]																											
18	Management Group Approval to report	Mon 02/10/17	Fri 06/10/17	1.08 wks	[Gantt bar]																											
19	Highways and Transport Committee Recommendations	Tue 07/11/17	Tue 07/11/17	0.22 wks	[Gantt bar]																											
20	Refine Proposal based on Decision	Wed 08/11/17	Tue 14/11/17	1.08 wks	[Gantt bar]																											
21	Change Management	Wed 15/11/17	Mon 04/12/17	15 days	[Gantt bar]																											
22	Executive Decision	Tue 05/12/17	Tue 05/12/17	1 day	05/12																											
23	Location/Accomodation Issues	Mon 27/03/17	Fri 20/04/18	309.59 days	[Gantt bar]																											
24	Depot Management: Property, Contract, Plans, Condition survey, allocation of space	Mon 03/04/17	Mon 02/04/18	288.66 days	[Gantt bar]																											
25	Market Engagement	Wed 01/03/17	Wed 14/03/18	299.72 days	[Gantt bar]																											
26	Review other authorities	Wed 01/03/17	Wed 11/10/17	177 days	[Gantt bar]																											
27	Visits and External Meetings	Wed 01/03/17	Wed 14/03/18	58.59 wks	[Gantt bar]																											
28	Engage with TSP - Professional Services Contract - Lessons learnt	Fri 07/04/17	Wed 21/02/18	253 days	[Gantt bar]																											
29	Document Preparation	Fri 01/09/17	Mon 22/04/19	472 days	[Gantt bar]																											
30	Prepare Programmes and Meetings	Fri 01/09/17	Thu 07/09/17	1.08 wks	[Gantt bar]																											
31	Identify suitable Resources	Fri 08/09/17	Thu 21/09/17	2.16 wks	[Gantt bar]																											
32	Specifications	Fri 22/09/17	Mon 23/04/18	32.86 wks	[Gantt bar]																											
33	Method of Measurements	Fri 22/09/17	Mon 22/01/18	18.81 wks	[Gantt bar]																											
34	Appendices	Tue 24/04/18	Fri 31/08/18	20.27 wks	[Gantt bar]																											
35	Standard Details	Fri 22/09/17	Mon 22/01/18	18.81 wks	[Gantt bar]																											
36	Identify Z-X Clauses	Fri 22/09/17	Wed 11/10/17	15 days	[Gantt bar]																											
37	Contract Data Review	Fri 22/09/17	Fri 12/01/18	89.59 days	[Gantt bar]																											
38	Price List review	Thu 26/10/17	Fri 15/12/17	40.92 days	[Gantt bar]																											
39	Indices Review	Tue 19/09/17	Fri 16/03/18	142.67 days	[Gantt bar]																											
40	Pricing Document Review	Wed 15/11/17	Fri 16/02/18	75.21 days	[Gantt bar]																											
41	Scheme of delegation	Wed 13/12/17	Wed 10/01/18	23.23 days	[Gantt bar]																											
42	Works ordering process – Confirm end-to-end	Thu 12/10/17	Tue 13/03/18	120.55 days	[Gantt bar]																											
43	Review Confirm statuses and link to NEC terms	Wed 01/11/17	Mon 12/02/18	81.84 days	[Gantt bar]																											
44	Performance suite with measures linked to VfM. Some outcome based for all.	Fri 01/09/17	Wed 10/01/18	103.96 days	[Gantt bar]																											
45	Update service information	Fri 01/09/17	Fri 08/12/17	78.53 days	[Gantt bar]																											
46	Produce data sets for tenderers, Jobs, value, location, type.	Fri 01/09/17	Fri 15/12/17	84.06 days	[Gantt bar]																											
47	Compilation of Documents	Mon 03/09/18	Mon 01/10/18	23.23 days	[Gantt bar]																											
48	Qualification and Quality Criteria	Tue 06/03/18	Mon 23/04/18	38.71 days	[Gantt bar]																											
49	Selection Questionnaire	Tue 06/03/18	Mon 19/03/18	2.16 wks	[Gantt bar]																											
50	Quality Questions	Tue 06/03/18	Mon 02/04/18	4.32 wks	[Gantt bar]																											
51	Evaluation Criteria	Tue 03/04/18	Mon 16/04/18	2.16 wks	[Gantt bar]																											
52	Management Group Approval	Tue 17/04/18	Mon 23/04/18	1.08 wks	[Gantt bar]																											

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Project: Term Service Renewal
Date: Wed 31/05/17

Task		Project Summary		Inactive Task		Duration-only		Finish-only	
Split		External Tasks		Inactive Milestone		Manual Summary Rollup		Progress	
Milestone		External Milestone		Inactive Summary		Manual Summary		Deadline	
Summary		Inactive Task		Manual Task		Start-only			

**Open Report on behalf of Richard Wills,
Executive Director for Environment and Economy**

Report to:	Highways and Transport Scrutiny Committee
Date:	16 June 2017
Subject:	Engaging with Midlands Engine and Midlands Connect

Summary:

Midlands Engine is a partnership which is seeking to promote growth across the whole of the East and West Midlands. It is supported by government and it is likely that significant resources for growth will be routed through the partnership.

This paper describes the work of the Midlands Engine partnership and considers how Lincolnshire County Council (LCC) should engage with the partnership.

Actions Required:

Members of the Highways and Transport Scrutiny Committee are invited to:

- 1) Support the ongoing development of the Greater Lincolnshire Local Enterprise Partnership (GLLEP) and its use of the Strategic Economic Plan to attract resources into Lincolnshire;
- 2) Consider the priorities that have been identified through the Greater Lincolnshire LEP's analysis (including those relating to new infrastructure priorities, utilities, and 5G) and highlight any additional priorities which officers can communicate to Midlands Engine and GLLEP;
- 3) Task officers with producing a strong overall economic narrative for engaging with Midlands Engine along with specific project cases which articulate LCC's priorities to the Midlands Engine partnership.

1. Background

Midlands Engine is a concept that was created to tackle imbalances in growth across the UK. It is concerned with using the region's strengths to promote growth and tackling the problems which hold back the region's growth.

Midlands Engine is chaired by Sir John Peace, Chairman of Standard Chartered plc. A structure of operational working groups is in place below the main Midlands Engine strategy board. Lincolnshire partners such as the County Council (LCC), Greater Lincolnshire Local Enterprise Partnership (GLLEP), and University of Lincoln are represented on the groups.

A Midlands Engine strategy was recently published which covers the following themes:

- improving **connectivity**
- strengthening **skills**
- supporting **enterprise** and **innovation**
- promoting **trade**
- enhancing **quality of life** across the Midlands.

These themes resonate with the issues the Environment and Economy / Highways and Transport Scrutiny Committees are likely to consider.

Recent history shows that the government will allocate funding on the basis of how well project bids meet the aims of initiatives like the Midlands Engine.

For example, the Midlands Engine strategy was published on the same day that allocations of Single Local Growth Fund were made to LEPs. Greater Lincolnshire LEP was allocated funding for the following schemes, all of which needed to demonstrate their relevance to the aims of the Midlands Engine.

- £5 million for a new Centre for Health Science on the University of Lincoln campus. The centre, led by the University of Lincoln, will drive growth, productivity, higher level skills and innovation throughout the health and care sector.
- £6.5 million for the three Food Enterprise Zones in Holbeach, Hemswell Cliff and Grimsby. The investment will support infrastructure and services to accelerate the development of the three zones, creating employment land and enabling key buildings specifically designed to support the growth and expansion of Greater Lincolnshire's agri-food clusters.
- A £6.5m Skills Capital Programme to deliver improvements to training infrastructure and equipment for high-quality skills provision for people in Greater Lincolnshire. The programme will enable a flexible and appropriate response to the outcomes and recommendations of the current Area Review and will address HE (Higher Education) and FE (Further Education) priorities and opportunities.
- Gainsborough Growth Project (£4m)
- Junction improvements on the A46 around Lincoln (£2.5m) – to create capacity in the network that will facilitate the delivery of housing growth
- A17 Sutterton Roundabout Pinch Point Scheme (£1m) – to address congestion on the network and increase economic performance
- Sleaford Growth Project (£2m) to facilitate the delivery of infrastructure in Sleaford to support growth of the town
- Advanced Engineering Research and Development Centre, Lincoln (£1.95m)

Priorities within Midlands Connect

On a practical basis, Midlands Engine has arisen from the Midlands Connect initiative which is concerned with transport matters across the whole of the Midlands and from wider economic development policies. For Midlands Engine to be successful, ministers and civil servants believe that it is important to achieve strong connections between the connectivity and wider economic development aspects.

The Midlands Connect Strategy has been developed over the last 2 years using funding provided by central government. The aim is to set out a longer term high-level strategic transport strategy which identifies the major road and rail schemes needed to support the region's economy and deliver the vision of a 'Midlands Engine for Growth'.

The development work has focused on a series of Work Packages (WPs):

- WP1 – Developing the Strategy
- WP2 – High Speed 2 (HS2) Readiness
- WP3 & 4 – Hubs and Corridors (Road and Rail)
- WP5 – Freight and International Gateways
- WP6 – Smart Connectivity

The overall project has been led by the Midlands Connect Project Team, with each of the above themes being supported by teams of consultants. A full governance structure comprising a Partnership Advisory Board, Strategic Board (including Richard Wills), Steering Group and Technical Advisory Board has overseen the development of the Final Strategy. This has included partners such as the Department for Transport (DfT), Highways England, Network Rail, LEPs and Local Transport Authorities.

The process has been evidence-led and heavily influenced by economic impacts. Both economic and transport modelling has been used at a strategic level to assess the benefits of a range of regional road and rail schemes (or packages of schemes). Using a common appraisal framework linked to agreed objectives, candidate schemes have been developed into the proposed strategy. An outline programme to 2035 and beyond has been prepared.

Because of the high-level strategic nature of the strategy, the focus is on schemes with strong sub-national impacts. Early work is therefore looking at developing cases for proposals which address constraints on the major road and rail networks, such as the Midlands Motorway Hub, rail corridors radiating from Birmingham, and the A52 Corridor between Nottingham and Derby and, in particular access to the proposed HS2 station at Toton.

The final Midlands Connect Strategy makes reference to the following proposals with an impact on Lincolnshire:

- Newark Northern Bypass (including A1/A17/A46 junction) – an early priority, with Highways England due to start feasibility work in 2017/18

- Upgrading of A1 between Peterborough and Blyth to motorway standard (for early scheme development)
- A46 Corridor : Syston to Immingham – Upgrade of existing A46 to Expressway standard (including existing single carriageway sections of Lincoln Western Relief Road) and dualling of A15 to M180 (longer term)
- Lincoln – Nottingham Rail Corridor – provision of direct services from Lincoln to Birmingham and flyover at Newark Flat Crossing over East Coast Main Line (longer term)

Midlands Connect was awarded a further £12m in October 2016 to progress with the development of Strategic Outline Business Cases for priority schemes over the next 3 years. Briefs are currently being prepared for this work

Also included in this early work is a project to identify a 'Major Road Network' for the Midlands Connect area. The project will then assess this network against a set of conditional outputs (to be agreed) to identify the performance gaps and prioritise where future investment might best be targeted. The brief requires a combination of both a 'top down' approach (data lead, in particular using the new Midlands Regional Traffic Model) and a 'bottom up' approach (working with Local Highway Authorities and considering their views as to what is important economically). A contract has yet to be let for this project.

Sub-National Transport Body (SNTB)

Midlands Connect has been encouraged by government to become a statutory Sub-National Transport Body (in a similar way to that recently announced for Transport for the North). Early discussions have taken place, including a meeting with elected members in Birmingham in January where options were discussed. These were:

- Non-statutory partnership i.e. voluntary partnership with purely lobbying rather than statutory influence
- Statutory partnership i.e. limited powers but requirement for DfT/HE/NR to consult
- Devo-max i.e. may take on some of the powers of HE and NR

Each of these options comes with its own requirements in terms of the complexity of governance needed.

The preferred option appears to be for a statutory body, but not going as far as the 'devo max' option. Draft proposals are being prepared for formal consultation with partners during summer 2017. It is hoped to submit a SNTB proposal to DfT by the end of 2017, with statutory status achieved in late 2018.

Work is also underway to create capacity in the East Midlands with a group of senior Cllrs supported by Executive Directors (Transport for the East Midlands) to ensure that the needs of the East Midlands are reflected in the establishment of a SNTB. Lincolnshire's needs and ambitions will be presented through this group

Midlands Engine – economic development funding and priorities to date

In addition to the connectivity priorities that have been identified above, Midlands Engine seeks to provide funding and support for a range of wider economic development priorities. These can be summarised as follows:

- **Skills:**
 - **£20m of government funding has been made available for a Midlands Skills Challenge** to improve employment prospects. This includes:
 - **£7 million to pilot approaches to supporting employees with mental health** issues, following the findings of West Midlands Mental Health Commission
 - **£2m to offer English-language training** to people in the Midlands
 - **£11m for Work Coaches**, in order to deliver targeted employment support to unemployed people **across the West Midlands Combined Authority.**

- **Enterprise and Innovation:**
 - **Midlands Engine Investment Fund** of over £250m will be launched shortly. This will provide a substantial budget for businesses who are looking to grow, and it has been shaped over a 24 month period including substantial discussion at previous meetings of LCC's Economic Scrutiny Committee.
 - Acknowledgment and support to the work of the **Midlands Engine Innovation Group** as it aims to deliver the recommendations of the Science and Innovation Audit.
 - The government will work with key stakeholders such as the Midlands Engine Partnership to review proposals for increasing productivity across supply chains, including the proposed **Midlands Manufacturing Productivity Programme.**

- **Trade:**
 - **Midlands Trade and Investment Programme** (supported by £5m of government funding):
 - Confirmed £5m towards the Midlands Engine Investment Hub (based in Birmingham) - driving inward investment in key sectors and regeneration projects across the region
 - Publication of a **new Midlands Engine Investment Portfolio** to showcase opportunities for future investment (published at MIPIM)
 - Launch a **three year China Trade and Investment strategy (late 2017)**. The County Council is working closely with the author of the investment strategy to ensure that our economic relationship

with Hunan is adequately recognised and supported within the strategy.

- **Publish the International Trade Barriers and Drivers project results** to provide sophisticated intelligence on the capacity constraints of Midland's exporters.
 - Procure **econometric research to model future Foreign and Direct Investment flows** and opportunities.
- **Housing and Quality of Life:**
 - **Homes and Communities Agency** will work with Midlands Engine partners to **develop** a clear, prioritised **schedule of publicly owned sites for redevelopment** by the end of 2017.
 - Explore how to **best make use of the Government Art Collection** and other publicly held art collections to **support private sector growth across the Midlands**. Include consideration of showcasing the government's art in Birmingham.

Members will note that the priorities concerning skills appear to have a limited impact on the whole of the Midlands, and also that there is an implicit prioritisation of activity onto the West Midlands.

On skills, this may be because it is difficult to arrange skills provision on a pan-regional level (skills are generally commissioned at either a national or local level). On the other aspects, this is because it has proved easier for partners in the West Midlands to articulate their requirements to government. The creation of the West Midlands Combined Authority and the election of a West Midlands mayor will continue to have an influence on this situation.

There is a challenge for Lincolnshire, like other areas, to demonstrate why activity in the county will have a regional benefit. However, the chart that is set out in Appendix A shows that Lincolnshire plays an important role in the Midlands and it also shows that there are similarities between Lincolnshire and other parts of the region.

It is important that, as part of our engagement with Midlands Engine, officers focus on our strengths and develop strategic alliances with partners who face similar issues to Lincolnshire.

Engagement in the Midlands Engine

Government and the Midlands Engine partners are committed to achieving growth across the whole of the Midlands.

However, it is much easier for some areas (generally urban areas) to articulate what investment they need. It is therefore incumbent on LCC and strategic partners like the Greater Lincolnshire LEP to articulate what they need from Midlands Engine. This should be done within the following principles:

- Identifying activity that will have a regional, not local or national, benefit
- Explaining how the proposed activity will contribute positively to the Midlands Engine agenda
- Describing the clear benefits that the proposed activity will have on growth and what plans are in place to ensure that the growth is realized

The timing is good for LCC to engage with the Midlands Engine. A new council with recently agreed work programmes/manifestos is in place, the Greater Lincolnshire LEP's strategic economic plan is well respected by government, and a Midlands Engine action plan is being produced.

Midlands Engine recognises that its strategy will be dynamic; the detail within the strategy will shift to respond to new developments and conditions. It is therefore important that Lincolnshire partners continue to represent the conditions in our economy and the requirements that we have. It is not a case of seeking funding for Lincolnshire's issues above those of any other areas, but it is important that Lincolnshire's voice is at least heard and understood.

To date officers have pursued an approach that aims to ensure that our representatives are technically competent to join the relevant Midlands Engine groups. On issues such as transport or trade strategy then those representatives should legitimately be from the county council. But on more technical issues like innovation or finance for business, then Lincolnshire will be better represented by organisations like financial intermediaries or universities. This approach has been followed and it is Streets and Co who represent Lincolnshire on the financial instrument steering board and the University of Lincoln on the innovation steering group.

Relationship between Midlands Engine strategy and Lincolnshire

Greater Lincolnshire LEP has already done some analysis of priorities that are likely to have traction with Midlands Engine. These are as set out below:

MIDLANDS ENGINE STRATEGY

GLLEP OFFERS & ASKS – DRAFT

Midlands Engine Strategy	Key Issues/SEP Priorities	GLLEP Key Projects
<p>Objective 1: Improving Connectivity</p> <p>Transport connections across the region are often slow and congested, with slow journey times by both road & rail; the Midlands central location within the UK provides an inherent advantage, despite the problems identified; key priorities will be:</p> <ul style="list-style-type: none"> • Connecting the towns & cities of the Midlands to each other • Connecting the Midlands to the rest of the country • Modernising digital infrastructure 	<p>Infrastructure</p> <p>Transport</p> <p>Flood Risk Management</p> <p>Development of key infrastructure projects is critical to supporting logistics & supply chain. This is a particular challenge in Lincolnshire given the nature of business, with large numbers of SMEs and need for investment in roads.</p> <p>The need to do further work on the digital infrastructure to overcome the dispersed nature of Lincolnshire’s population and improve broadband access & speeds; the area contrasts with some other parts of ME region and therefore in addition to physical infrastructure consider promoting GLLEP as potential area for a 5G testbed as part of the emerging Action Plan.</p> <p>There are also key challenges around other utilities, in particular power, that are being discussed with Western Power and the County Council, with other partners.</p>	<p>The infrastructure ‘ask’</p> <p><u>Short</u></p> <ul style="list-style-type: none"> • A46 Coast to Coast Strategic Study • Upgrade of A1 to motorway status • Lincoln Eastern Bypass (underway) <p><u>Medium</u></p> <ul style="list-style-type: none"> • A46-A15 Improvements (prep business case) • A1/A46/A17 road junction improvements (prep business case) • Newark North bypass <p><u>Long</u></p> <ul style="list-style-type: none"> • Improved ECML linked to HS2 delivery • HS2 connectivity • East-West rail connections • A46-A15 Improvements (delivery) • A1/A46/A17(delivery) <ul style="list-style-type: none"> • Broadband & digital connectivity • Utilities

Midlands Engine Strategy	Key Issues/SEP Priorities	GLLEP Key Projects
<p>Objective 2: Strengthening Skills</p> <p>The Midlands is the home to 20 Universities, and has a 'bedrock of highly skilled, specialist employees in high value manufacturing'; however, the region lags behind on higher level skills, has a high proportion of people with no skills whilst vacancies remain infilled because of a lack of suitably skilled candidates;</p> <ul style="list-style-type: none"> • Launch of Midlands Skills Challenge • Look at innovative approaches to lifelong learning • Seek options to enable transfer of apprenticeship levy funds within the region 	<p>Skills Infrastructure</p> <p>Education sector in Lincolnshire is strong with generally good schools, FE colleges and Universities. But access to skills and training presents a challenge in some more rural areas linked to the need to address infrastructure issues identified above.</p>	<ul style="list-style-type: none"> • Securing take up of apprenticeship opportunities through the new framework, particularly in the key sectors identified in the SEP • Ensuring that the apprenticeship framework addresses the specific needs of SMEs
<p>Objective 3: Supporting Enterprise & Innovation</p> <ul style="list-style-type: none"> • Develop investment proposals for building on existing strengths • Through SLGF support industrial clusters • Review proposals for increasing productivity across supply chains 	<p>Agri-food Low Carbon Economy Manufacturing & Engineering</p> <p>Agri-food has already been identified as a key sector for the GLLEP area for both food security and as a potential export driver but there is the need for further work & investment.</p> <p>The University of Lincoln is already engaged with the Midlands Enterprise Universities, collaboration that will support advanced manufacturing & engineering across the region as well as within the GLLEP area.</p>	<ul style="list-style-type: none"> • Development of the FEZ and work on agri-technology (LIAT) through the University of Lincoln • Sustained investment in & commitment to innovation and applied research – for example the UK National Centre for Food Manufacturing and LSIP. • Development of employer links with the University for applied R&D

Midlands Engine Strategy	Key Issues/SEP Priorities	GLLEP Key Projects
<p>Objective 4: Promoting Trade & Investment</p> <p>The Midlands has strong connections with the rest of the world and is an attractive place for inward investment. Immingham & Grimsby ports are identified as key hubs for exports, adding to strong performance in exports across the region.</p> <ul style="list-style-type: none"> • Midlands Engine Trade & Investment Programme • Midlands Engine Investment Portfolio launched at MIPM • Midlands Engine Trade Summit held March 2017 	<p>Ports & logistics</p> <p>The ports at Immingham and Boston provide a key export route for the whole of the ME region & are identified as providing some of the best shipping ports within the UK in Gtr Lincolnshire. With an increasing importance post-Brexit with emphasis on increasing the value and volume of exports.</p>	<ul style="list-style-type: none"> • The infrastructure ‘ask’ • Supporting and promoting the ME Trade & Investment Missions; including the Trade & Investment Programme within the ME Strategy. • Requirement for further investment in the sea wall at Immingham Port • Investment in strategic infrastructure projects to increase capacity & competitiveness of ports, including projects listed under Objective 1 to improve road & rail infrastructure.
<p>Objective 5: Enhancing Quality of Life</p> <p>Attracting skilled workers (alongside inward investment) is critical to supporting productivity & growth.</p> <ul style="list-style-type: none"> • Increasing housing supply through measures in the White Paper • Supporting the visitor economy, currently worth £6.33bn (2013) 	<p>Visitor Economy</p> <p>Health & care</p> <p>Ensuring that there is a sufficient supply of housing in the right locations will be critical to supporting the other measures to address productivity & growth. Working with the emerging Local Plans to support sustainable development. Visitor Health & care is identified as an emerging growth sector reflecting the changing demographics as well as enhancing quality of life.</p> <p>The Lincolnshire visitor economy represents a key growth sector.</p>	<ul style="list-style-type: none"> • Spitalgate Garden Village, South Lincolnshire • Unlocking strategic housing development sites through key infrastructure projects • Support the visitor economy through supporting accommodation developments, major events and attractions. • Development of a ME-wide approach to developing the visitor economy through a single funding mechanism.

It is clear from this list that many of the activities that are contained in the Strategic Economic Plan are directly relevant to LCC, either because LCC is likely to lead them or because they meet LCC priorities.

In addition, there are some gaps in the list because new initiatives have arisen as a result of manifesto commitments or as a simple result of timing. For example, officers are currently leading a study into utility provision in Lincolnshire and in particular into how utility problems constrain growth. The study will conclude in winter 2017 and will provide a good platform to lobby for appropriate and additional investment in the county's utility infrastructure where that will support growth.

Similarly, the Midlands Engine strategy raises the possibility of piloting 5G technology. Despite LCC having invested substantially in superfast broadband, Businesses tell us that they are constrained by ICT difficulties. These are increasingly described as being related to mobile phone coverage and to the use of mobile broadband. It may, therefore, be useful to analyse the feasibility of promoting the concept of a 5G pilot in Lincolnshire to Midlands Engine.

The challenges now are:

1. to update the LEP's analysis with any priorities that have emerged since it was prepared
2. to prepare cases which articulate the benefits of these activities in the way that is described above (ie identifying activity that will have a regional, not local or national, benefit; explaining how the proposed activity will contribute positively to the Midlands Engine agenda; and describing the clear benefits that the proposed activity will have on growth and what plans are in place to ensure that the growth is realized).

In terms of the first challenge, Lincolnshire County Council is a founder member and accountable body of the Greater Lincolnshire LEP. LCC's portfolio holder for Economy and Place is a board member of the Greater Lincolnshire LEP as is the Executive Director for Environment and Economy. The LEP team is employed by the County Council and jointly commission activity with LCC's Enterprise Commissioner. It is important to keep those relationships operating effectively.

In terms of the second challenge, economic business cases are required in order to demonstrate why the government should provide Midlands Engine with the funding to support these schemes. The economic cases will involve combining the technical solutions for the project with a wider economic benefit case. This will need substantial officer input, but the benefits of attracting funding would be significant.

2. Conclusion

In summary, Midlands Engine provides a good opportunity to deliver the council's growth priorities and it appears that Midlands Engine will continue to be a priority for government from both a financial and policy perspective. It is important that

Lincolnshire's projects are articulated effectively to the Midlands Engine partnership.

3. Consultation

a) Have Risks and Impact Analysis been carried out??

N/A

b) Risks and Impact Analysis

N/A

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Greater Lincolnshire's "Nearest Neighbours" in Midlands Engine

5. Background Papers

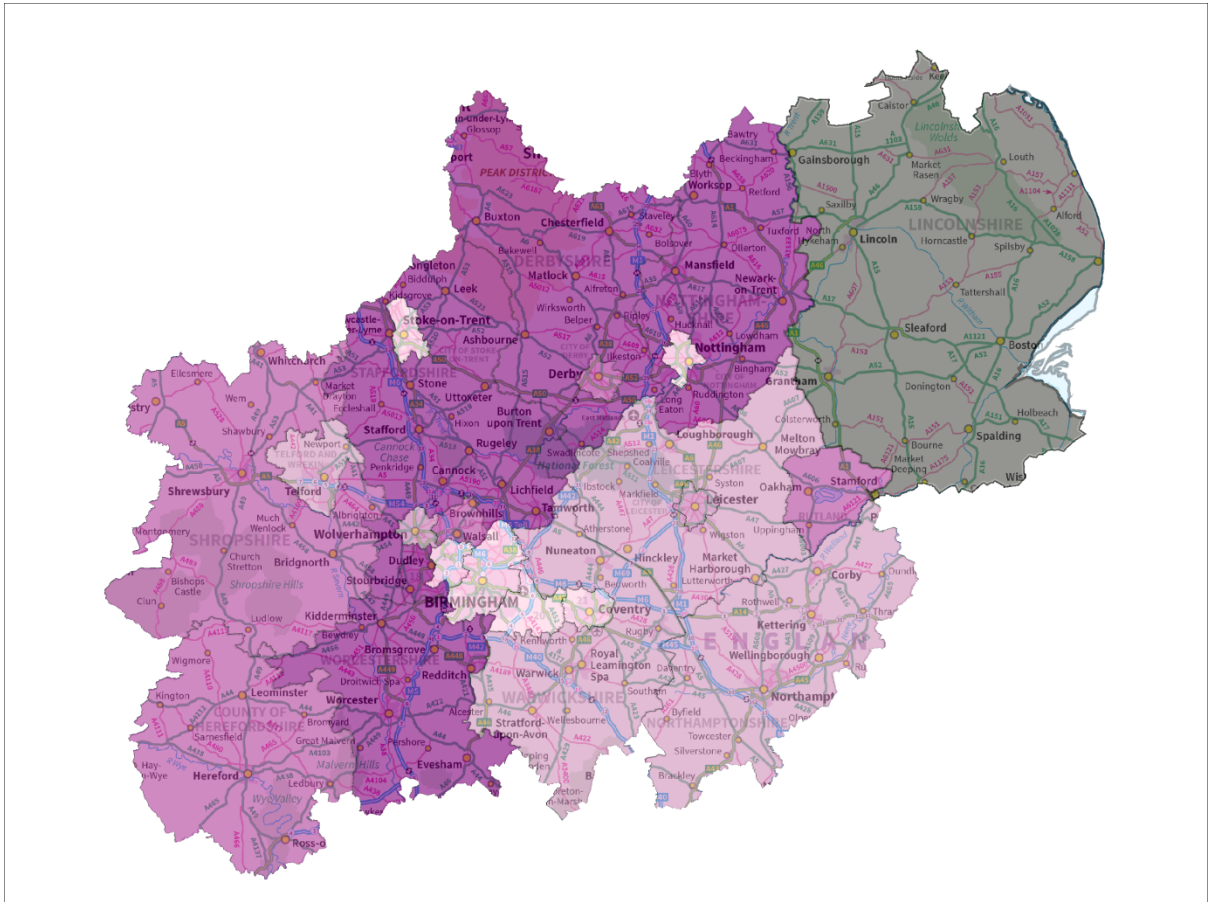
No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Justin Brown, Enterprise Commissioner, who can be contacted on 01522 550630 or Justin.Brown@lincolnshire.gov.uk

Appendix A

Greater Lincolnshire's "Nearest Neighbours" in Midlands Engine

Local Authority	Overall Similarity score based on broad industry group composition
Source	
Lincolnshire	
Derbyshire	84.6%
Nottinghamshire	80.5%
Dudley	77.5%
Staffordshire	76.8%
Worcestershire	73.1%
Derby	72.3%
Shropshire	71.7%
Herefordshire	70.6%
Walsall	69.6%
Rutland	68.5%
Leicestershire	65.3%
Wolverhampton	64.0%
Northamptonshire	64.0%
Telford and Wrekin	63.5%
Warwickshire	61.5%
Leicester	58.8%
Stoke-on-Trent	58.4%
Sandwell	55.4%
Coventry	53.7%
Nottingham	50.7%
Birmingham	49.5%
Solihull	48.2%



**Open Report on behalf of Richard Wills,
Director responsible for Democratic Services**

Report to:	Highways and Transport Scrutiny Committee
Date:	16 June 2017
Subject:	Highways and Transport Scrutiny Committee Work Programme

Summary:

This item enables the Committee to consider and comment on the content of its work programme for the coming year to ensure that scrutiny activity is focused where it can be of greatest benefit. The work programme will be reviewed at each meeting of the Committee to ensure that its contents are still relevant and will add value to the work of the Council and partners.

Members are encouraged to highlight items that could be included for consideration in the work programme.

Actions Required:

Members of the Committee are invited to:

- 1) Review, consider and comment on the work programme as set out in Appendix A to this report.
- 2) Highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme.

1. Background

Overview and Scrutiny should be positive, constructive, independent, fair and open. The scrutiny process should be challenging, as its aim is to identify areas for improvement. Scrutiny activity should be targeted, focused and timely and include issues of corporate and local importance, where scrutiny activity can influence and add value.

Overview and scrutiny committees should not, as a general rule, involve themselves in relatively minor matters or individual cases, particularly where there are other processes, which can handle these issues more effectively.

All members of overview and scrutiny committees are encouraged to bring forward important items of community interest to the committee whilst recognising that not all items will be taken up depending on available resource.

Committee Scope

As part of its terms of reference, the Highways and Transport Scrutiny Committee will work to review and scrutinise the following services and their outcomes:

- Transport Commissioning, including Bus Network Support
- Highway Network Management and Highways maintenance
- New transport investments including highways improvements

There will inevitably be service specific subjects that the scrutiny committee will want to consider, either through policy development, project updates, or through pre-decision scrutiny.

Purpose of Scrutiny Activity

Set out below are the definitions used to describe the types of scrutiny, relating to the items on the Committee Work Programme:

Policy Development - The Committee is involved in the development of policy, usually at an early stage, where a range of options are being considered.

Pre-Decision Scrutiny - The Committee is scrutinising a proposal, prior to a decision on the proposal by the Executive, the Executive Councillor or a senior officer.

Policy Review - The Committee is reviewing the implementation of policy, to consider the success, impact, outcomes and performance.

Performance Scrutiny - The Committee is scrutinising periodic performance, issue specific performance or external inspection reports.

Consultation - The Committee is responding to (or making arrangements to) respond to a consultation, either formally or informally. This includes pre-consultation engagement.

Budget Scrutiny - The Committee is scrutinising the previous year's budget, or the current year's budget or proposals for the future year's budget.

Requests for specific items for information should be dealt with by other means, for instance briefing papers to members.

Identifying Topics

Selecting the right topics where scrutiny can add value is essential in order for scrutiny to be a positive influence on the work of the Council. Members may wish to consider the following questions when highlighting potential topics for discussion to the committee:-

- Will Scrutiny input add value?
Is there a clear objective for scrutinising the topic, what are the identifiable benefits and what is the likelihood of achieving a desired outcome?
- Is the topic a concern to local residents?
Does the topic have a potential impact for one or more section(s) of the local population?
- Is the topic a Council or partner priority area?
Does the topic relate to council corporate priority areas and is there a high level of budgetary commitment to the service/policy area?
- Are there relevant external factors relating to the issue?
Is the topic a central government priority area or is it a result of new government guidance or legislation?

Scrutiny Review Activity

Where a topic requires more in-depth consideration, the Committee may commission a Scrutiny Panel to undertake a Scrutiny Review, subject to the availability of resources and approval of the Overview and Scrutiny Management Board. The Committee may also establish a maximum of two working groups at any one time, comprising a group of members from the committee.

2. Conclusion

The Committee's work programme for the coming year is attached at Appendix A to this report. A list of all upcoming Forward Plan decisions relating to the Committee is also attached at Appendix B.

Members of the Committee are invited to review, consider and comment on the work programme as set out in Appendix A and highlight for discussion any additional scrutiny activity which could be included for consideration in the work programme. Consideration should be given to the items included in the work programme as well as any 'items to be programmed' listed.

3. Consultation

a) Have Risks and Impact Analysis been carried out?

Not Applicable

b) Risks and Impact Analysis

Not Applicable

4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Highways and Transport Scrutiny Committee – Work Programme
Appendix B	Forward Plan of Decisions relating to the Highways and Transport Scrutiny Committee

5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Daniel Steel, Scrutiny Officer, who can be contacted on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

Highways and Transport Scrutiny Committee

16 JUNE 2017 – 10:00am		
Item	Contributor	Purpose
Highways and Transport – 'Who we are and What we do'	Steve Willis, Chief Operating Officer Development Services, Paul Rusted, Infrastructure Commissioner	To receive a presentation which introduces the Committee to the work of Highways and Transport and sets out the main priorities.
Lincolnshire Highways Alliance Replacement	Paul Rusted, Infrastructure Commissioner	A report on the start of the option appraisal work for a replacement to the Lincolnshire Highways Alliance.
Engaging with Midlands Engine and Midlands Connect 'getting the best deal for Lincolnshire'	Justin Brown, Enterprise Commissioner	To describe the Midlands Engine initiative and identify areas where LCC should continue to engage in order to receive maximum benefit

28 JULY 2017 – 10:00am		
Item	Contributor	Purpose
Quarter 4 Performance Report (1 January to 31 March 2017)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.
Effective Highways Communication	Satish Shah, Network Manager	Review of the work being undertaken to enhance service users' experience with regards to the Highways and Transport services.

22 SEPTEMBER 2017 – 10:00am		
Item	Contributor	Purpose
Quarter 1 Performance Report (1 April to 30 June 2017)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.
Rail Franchising	Ian Kitchen, Transport Policy Manager	To update members on LCC's engagement in shaping new rail franchises and to consider priorities for public consultation.
Civil Parking Enforcement Annual Report 2016/17	Matt Jones, Parking Services Manager	The annual report on CPE related activities and financial statement showing the cost of the operation, including any deficit or surplus.

03 NOVEMBER 2017 – 10:00am		
Item	Contributor	Purpose
Network Rail Engagement Session	Network Rail	Annual engagement session with Network Rail which will include details of network performance and discussion of any key issues or concerns in Lincolnshire.

08 DECEMBER 2017 – 10:00am		
Item	Contributor	Purpose
Quarter 2 Performance Report (1 July to 30 September 2017)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.

26 JANUARY 2018 – 10:00am		
Item	Contributor	Purpose
Revenue and Capital Budget Proposals 2018/19		Pre-Decision Scrutiny Item on the budget proposals for 2018/19. The comments of the Committee will be passed to the Executive for consideration.

16 MARCH 2018 – 10:00am		
Item	Contributor	Purpose

27 APRIL 2018 – 10:00am		
Item	Contributor	Purpose
Quarter 3 Performance Report (1 October to 31 December 2017)	Paul Rusted, Infrastructure Commissioner	Review of the Key Performance and Customer Satisfaction Information.
Street Lighting Review	John Monk, Group Manager (Design Services)	Review of the impact of the implementation of the Street Lighting Transformation project a year after its completion.

Items to be programmed

- Priorities within the Strategic Infrastructure Delivery Plan
- New Highways Operating Model VfM Assessment
- Future Highways Programme
- Bus Services Bill
- Outcome of CCTV Pilot Scheme for Parking enforcement outside schools
- Permit Scheme Annual Report

For more information about the work of the Highways and Transport Scrutiny Committee please contact Daniel Steel, Scrutiny Officer on 01522 552102 or by e-mail at daniel.steel@lincolnshire.gov.uk

Forward Plan of Decisions relating to the Highways and Transport Scrutiny Committee

DEC REF	MATTERS FOR DECISION	DATE OF DECISION	DECISION MAKER	PEOPLE/GROUPS CONSULTED PRIOR TO DECISION	DOCUMENTS TO BE SUBMITTED FOR DECISION	HOW AND WHEN TO COMMENT PRIOR TO THE DECISION BEING TAKEN	RESPONSIBLE PORTFOLIO HOLDER AND CHIEF OFFICER	KEY DECISION YES/NO	DIVISIONS AFFECTED
I013766 New!	Construction of Salt Barn Horncastle Depot	4 July 2017	Executive	Full consultation undertaken as part of planning permission		Area Highway Manager Tel: 01522 550444 Email: andrew.ratcliffe@lincolns hire.gov.uk	Executive Councillor: Highways, Transport and IT and Executive Director for Environment and Economy	No	Horncastle and the Keals
I013739 New!	A1434 Hykeham Crossroads PRN	Between 6 July 2017 and 10 July 2017	Executive Councillor: Resources and Communications	Highways colleagues; town council and all the local affected stakeholders / businesses	Report	Senior Project Leader (Major Schemes) Tel: (01522) 782070 Email: steve.brooks@lincolnshire.gov.uk	Executive Councillor: Resources and Communications and Executive Director for Environment and Economy	Yes	Eagle and Hykeham West; Hykeham Forum