

Forward Plan reference number: Not applicable

Report title: Coronavirus Outbreak – Temporary Highways and Transportation Service Changes	
Report to: Councillor Kevin Bentley Cabinet Member for Infrastructure and Councillor David Finch Leader and Cabinet Member for Finance	
Report author: Andrew Cook – Director, Highways and Transportation	
Date: 27 March 2020	For: Decision
Enquiries to: Peter Massie – peter.massie@essex.gov.uk	
County Divisions affected: All Essex	

1. Purpose of Report

- 1.1 The Coronavirus outbreak is a major public health emergency. The Government's current instruction is for the population of the United Kingdom to stay at home except for one of four reasons, shopping for basic necessities, to exercise, any medical needs and travelling to and from work, but only where this absolutely cannot be done from home.
- 1.2 This report asks the Cabinet Member to consider a temporary reduction in the Highways and Transportation services in order to comply with the implementation of the Government's instruction and to protect the health and safety of staff and the wider population.

2. Recommendations

Cabinet Member for Infrastructure:

- 2.1 That Highways and Transportation services be temporarily reduced or ceased for an initial period of three months as set out in the appendix to this report. These are detailed in Appendix A to be implemented on a phased basis depending upon availability of resources and the need to prevent the spread of the Corona Virus.
- 2.2 That the Director, Highways and Transportation be granted authority to extend the arrangements beyond the initial three months for a period of one month on up to three occasions if he considers it is necessary to reduce the risk of the spread of coronavirus.
- 2.2 That the Director, Highways and Transportation be authorised to review the Highways and Transportation services that are delivered on a monthly basis and increase service delivery as soon as he considers that the temporary reductions in service are no longer necessary to prevent of coronavirus.

Leader of the Council:

- 2.3 Pending the Government determination of emergency funding, a drawdown of £2.7m from the General Balance to fund the anticipated loss in income as a result of the suspension for 3 months and further drawdowns of £909,000 per month for the next 3 months if monthly extensions are considered necessary.

3. Summary of Issues

- 3.1 The United Kingdom is having to respond to the coronavirus outbreak. As of Tuesday 24th March the Government instruction is for the population of the United Kingdom to stay at home except for one of four reasons, shopping for basic necessities, to exercise, any medical needs and travelling to and from work, but only where this absolutely cannot be done from home.
- 3.2 Under section 2B of the National Health Service Act 2006 the Council is also under a legal duty to take such steps as it considers appropriate for improving the health of the people in its area.
- 3.3 Against this context the Council has to consider the Highways and Transportation Services that should continue to be delivered and what can be reduced or ceased temporarily, taking into account its legal responsibilities, safety critical activities, and the staff, materials and facilities it has available.
- 3.4 A number of offices and workspaces that staff within Highways and Transportation Services operate from have now closed in light of the Government's instruction and many staff are now working remotely from home.

Impact of changes

- 3.5 The changes to the Highways and Transportation Services outlined in Appendix A will enable resources to be redeployed to focus on the delivery of critical Highways and Transportation Services.
- 3.6 It should be stressed that this is a temporary measure as a short term response to the outbreak. The Highways and Transportation Services will resume its normal service delivery as quickly as possible.

4. Options

- 4.1 **Leave Highways and Transportation Services unchanged:** This is not an option. If we do this we will be in breach of the Government's Instructions. If our staff have to isolate then the Council may struggle to deliver the service in any event and this will increase pressure on the delivery of safety critical Highways and Transportation services.
- 4.2 **Temporary changes to the Highways and Transportation Services:** If we implement the reductions proposed in Appendix A we will be able to adhere to

Government guidance, and reprioritise resources to continue the delivery of the critical Highways and Transportation services.

5. Issues for Consideration

- 5.1 There is the need to focus on activity that is critical to allowing the network to continue to operate safely and efficiently for key workers, emergency services and the delivery of essential goods and services.
- 5.2 In light of the government guidance on social distancing and reductions in travel, it is essential that we review all activity to preserve the safety of the public and our workforce.
- 5.3 Some of these reductions in service will be forced upon us by the decisions of our supply chain to cease activity because of a lack of available materials and resources. For example, Eurovia UK will cease operations from next week.

6 Financial implications

- 6.1 The below provides an overview of the 2020/21 Infrastructure portfolio budgets

Revenue	2020/21			
	Gross Expenditure	Income	Grants	Total Net Expenditure
	£,000	£,000	£,000	£,000
Infrastructure Portfolio	63,809	(18,031)	(1,521)	44,257

Capital	2020/21 Budget
	£,000
Capital Maintenance	82,109
Highways Named Schemes	47,720
BDUK - Superfast Broadband	13,269
	143,098

Capital Maintenance Implications

- 6.2 Based on the specific proposals in this document, to cease/pause certain activities, this will result in a forecast £1.7m (Local Highways Panels) capital under spend in 2020/21 which will defer the cost of borrowing associated with this investment. This may be subject to change over the coming weeks depending upon central government guidance and operator practices, regarding construction related works. At the current time it is not anticipated that the service reductions outlined in Appendix A will have any revenue/ abortive cost implications.
- 6.3 There are other areas which could be explored to be deprioritised within the capital programme, however it should be noted that this will have material implications to the revenue account in respect of capital recharges/abortive costs and is not felt to be viable.

- 6.4 In light of the response of the supplier market to social distancing requirements this may lead to capacity constraints to deliver services under the contract which will lead to further financial implications which have not yet been assessed nor quantified.

Revenue Implications

- 6.5 Whilst there are no direct material revenue implications from the proposals made in this document, a number relate to income generating areas. It should be noted that the 2020/21 budgeted income levels are expected to be significantly reduced due to the coronavirus. (The table below provides an overview of the expected budgetary pressures based on a 6 and 12 month scenario on the highways budgets - please note this information does not include the impact on Park and Ride and the Parking Partnerships as they are outside of the proposals in this document).
- 6.6 Essex Highways are currently looking to re deploy staff within the Essex partnership to support ongoing activities, there are 598 staff in total split 458 employees of Ringway Jacobs and 140 ECC employees. This will need to be closely monitored over the coming weeks and months as longer term there could be material implications for the revenue position regarding capital recharge levels should national guidance change regarding the construction sector.

	Implications of a 3 Month Delay	Implications of a 6 Month Delay	Implications of a 12 month Delay
Bus Lane Enforcement	702,665	1,405,329	2,810,658
Permitting	502,750	1,005,500	2,011,000
Development Management	393,250	786,500	1,573,000
Skips & Scaffolding	370,500	741,000	1,482,000
Rechargeable Works	201,894	403,789	807,577
Other	556,941	1,113,882	2,227,765
Total	2,728,000	5,456,000	10,912,000

- 6.7 In relation to the income assumptions detailed above, bus lane enforcement fine income has been assumed to reduce by 80% all other services have been assessed as non-essential services and therefore no income is assumed to be earned.
- 6.8 It is proposed that the 3 month income pressure (£2.7m) be funded from the General Fund pending the Government determination of emergency funding, with the impact per month for the following three months forecast at £909,000 per month. With any surplus being returned if the actual pressure crystallises below the stated amounts.

- 6.9 Suppliers have started to indicate that they will cease operations due to concerns about their ability to abide with social distancing guidelines, work will need to be completed to quantify the impact for the Highways Revenue and Capital budgets with a further paper on revised priorities and implications to follow.

7. Legal Implications

- 7.1 If this is introduced the Council must ensure that it discharges its statutory functions as a highway authority since the government has made it clear that essential work must continue and the highway service keeps Essex moving and is thus essential for the local economy.

8. Equality and Diversity implications

- 8.1 The Public Sector Equality Duty applies to the Council when it makes decisions. The duty requires us to have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act. In summary, the Act makes discrimination etc. on the grounds of a protected characteristic unlawful
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not.
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 8.2 The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, marriage and civil partnership, race, religion or belief, gender, and sexual orientation. The Act states that 'marriage and civil partnership' is not a relevant protected characteristic for (b) or (c) although it is relevant for (a).
- 8.3 The changes to the Highways and Transportation Services will have a low impact on the age characteristic. Two of the changes are delaying the delivery of the Bikeability courses and the School Road Safety Training to children, but children are currently unable to receive the service as a result of the Government's social media. The extent of the impact is neutral. It is necessary due to the greater risk of continuing and the service will be offered when it is appropriate.

9. List of Appendices

Appendix A - Proposed Highways and Transportation Service Changes
Appendix B – Equalities Impact Assessment

I approve the above recommendations relating to my portfolio for the reasons set out in the report.	Date
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Councillor Kevin Bentley, Cabinet Member for Infrastructure	27 March 2020
I approve the above recommendations relating to my portfolio for the reasons set out in the report.	
Councillor David Finch, Leader and Cabinet Member for Finance	27 March 2020

In consultation with:

Role	Date
Mark Carroll, Executive Director for Place & Public Health	27 March 2020
Executive Director for Finance and Technology (S151 Officer)	27 March 2020
Stephanie Mitchener, delegated s151 on behalf of Nicole Wood Director, Legal and Assurance (Monitoring Officer)	27 March 2020
Paul Turner	

Exemption from call in

I agree that it is in the best interests of the Council for this decision to be implemented urgently and therefore this decision is not subject to call in (paragraph 20.15(xix) of the constitution applies).

Councillor Mike Mackrory – Chairman of the Corporate Policy and Scrutiny Committee

Date: 28 March 2020