
Chief Executive's Office

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Our Ref: CE/PL
Doc ID: Execlct/GH – Highways
Date: 23 September 2005

APPENDIX

Chief Executive:

Jeffrey W Davies MA LLM

Mr G Harding
Director of Environment Directorate
Lancashire County Council
PO Box 78
County Hall
Preston
PR1 8XJ

Dear Graham,

LANCASHIRE HIGHWAYS PARTNERSHIP – CONSULTATION ON CABINET DECISION

I refer to your letter of 2nd September 2005 and have set out below my response on behalf of Chorley Borough Council. Mr Matthias had suggested to District Engineers that it would only be possible to include the results of the consultation in your report if the responses were received by 23rd September. This we have done - but it is my intention to report on the issue further at the meeting of my Executive Cabinet on 29th September. In the event that Members wish additional points to be made I will advise you accordingly. For example, Members have yet to take a decision on a section 42 arrangement

We are extremely disappointed with the LCC proposal not to extend the LHP Agreement. We would like to make clear that we would like to continue with both the client and contractor partnership arrangements in order to build on their achievements to date.

In addition we have given significant financial support to highway and traffic management through our own capital programme, particularly for traffic calming measures.

From discussions it is clear that the County Council presents one of the main reasons for the termination of the Partnership as the difficulties in managing the split between core and non-core areas. It is our understanding from the negotiations which led to the establishment of the Partnership that the development of the Partnership was, itself, supposed to end that distinction. However, the County Council has never developed the LHP in this way. If the County Council is seeking to make financial economies by terminating the LHP we will be more than happy to discuss how the financial economies could be achieved whilst still allowing the continuation and possible development of the LHP.

As you have no doubt had confirmed to you by colleagues from other district Councils the DSO activities in relation to the LHP are an integral part of the Council's overall DSO and other in house service provision. It is simply not possible to remove the highways element of our Service Group without significantly affecting the efficiency and effectiveness of other services. Indeed, by removing the highways element from our activities we are very substantially reducing the Borough Council's abilities to respond in any meaningful way to any emergency situation. I understand that this point has already been made to County Council Officers in discussion and, no doubt, they will be able to confirm how such emergency arrangements can be maintained in the future. There is also, of course, the issue of the extent to which the support services for the LHP function are an integral part of the Council's general support services. The removal of the LHP client and contractor functions will have a significant effect on the efficiency and effectiveness of those support services.

At the meeting of Council Chief Executives and Leaders a formal resolution was passed as follows:

1. That the County Council extend the consultation period beyond 23 September to allow a proper period of consultation.
2. That there be individual meetings between County Councillor Tony Martin and any District Council who wanted one, to discuss the effects on them, for the meetings to be held in time for the outcomes to be taken into consideration when the County Council Cabinet makes its decision.
3. That if the eventual final decision is to end the LHP, the implementation date be put back to July 2007 so as to allow proper time for all the necessary arrangements to be made.

The County Council's Chief Executive, as Secretary to the meeting, gave an undertaking that he would minute the resolution and notify it within the County Council as appropriate. Clearly, we will consider its formal notification to Cabinet in consideration of this issue as within the meaning of notifying it within the County Council as appropriate.

If County Councillor Martin does agree to meetings with District Councils we would, of course, wish to take advantage of such a meeting. I should add, for the sake of completeness, that we fully support also the paragraphs numbered 1 and 3 in the resolution.

I am particularly concerned that the proposition under consideration, at least at face value, relates to efficiencies and cost effectiveness within the LHP. We had believed since the initial discussions that further efficiencies were possible if the core/non-core distinction were to be abolished. We believe that this was one of the key purposes of the initial discussions that led to the establishment of the LHP and was a shared objective of the County and District Councils. I must insist that it is the clear view of our Council that in seeking to improve the efficiencies and effectiveness of the LHP the County Council gives further and reasonable consideration to the issues of the geographical split of service delivery.

It has caused some difficulties in responding to this brief consultation process that there is no indication of what residual arrangements might be made for future service delivery in those service areas where there is some degree of overlap. I have in mind, in particular, those areas in which District Councils discharge a range of functions utilising the powers of the Highway Authority to facilitate the services. For example, the licensing function in District Councils presently deals with a range of licensing powers including, under the LHP, licensing under various Highways Act powers. All of the District Councils also will share the difficulty that they carry out various services in the street scene environment in which they are making use of County Council powers. For example, to carry out any significant works within the highway it will be necessary to secure the County Council's formal agreement. Are we realistically expecting that minor alterations to the shape of a flowerbed in a highway verge will be the subject of correspondence and formal approval?

Whilst I do not question the County Council's objectives, I must point out that there is at present no indication of any details in relation to staff transfers beyond an acknowledgement that the County Council will effect transfers under the TUPE requirements. My understanding is that staff transfers from West Lancashire and Rossendale in the past have involved protections beyond the bare requirements of TUPE. You will appreciate that the County Council's omission of any reference to details of staff transfer arrangements will cause some concern for those involved.

We are dealing with these issues at various points in our respective budget processes. In the absence of any indication of the County Council's intention for residual arrangements we are clearly working in an unacceptable vacuum in this area. Equally, it is extremely difficult to comment on a proposal which, in this context, is incomplete to the point of being almost meaningless.

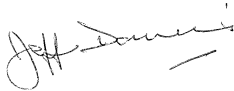
We have valued for many years the relationships with the County Council and especially the relationships under the LHP itself. These relationships, between Members and Officers of both Councils cover a considerable number of years and a remarkable amount of co-operation within that time. I would hope that we can move from this present consultation process with a greater degree of openness and co-operation than has been shown to date in consideration of the future of the LHP. If the County Council's

Cabinet is willing not to proceed immediately with its decision to terminate the LHP I have no doubt that my Council will be willing to work closely with the County Council on an examination of the potential financial advantages in a number of different scenarios that might be developed from the existing LHP arrangements. I have no doubt that, ultimately, we share the same objectives of cost effectiveness in service delivery and the satisfaction of our customers. The County Council has, in the past, proved that the spirit of co-operation can be both productive and effective in establishing the Highways Agency arrangements and, subsequently the LHP. I am convinced that we still have a model which is of value for ourselves and elsewhere and I do not feel that we should give up on the Partnership arrangements unless such a course of action is unavoidable.

I have attached a note prepared by the District Engineers on the report to the LCC Cabinet of 1 September 2005 and other issues. I believe that the report summarises the situation very comprehensively and I fully support and endorse its contents. I anticipate that my Members will give their formal endorsement to this response at the meeting of the Executive Cabinet on 29 September 2005.

I should be grateful if you would put the contents of this letter and the appended note to the County Council's Cabinet when the future of the LHP is considered further.

Yours sincerely



Chief Executive

Cc: All Members of the Council
County Councillors (Chorley area)
Members of Lancashire County Council Cabinet
Mr C Matthias – Director of Highways Consultancy
Mr A Cutts – Director of Finance (Section 151 Officer)