



Meeting: **Highways and Transport Overview and Scrutiny Committee.**

Date/Time: **Thursday, 20 January 2022 at 2.00 pm**

Location: **Sparkenhoe Committee Room, County Hall, Glenfield**

Contact: **Mr. E. Walters (0116 3052583)**

Email: **Euan.Walters@leics.gov.uk**

Membership

Mr. T. Gillard CC (Chairman)

Mr. R. G. Allen CC Mr. B. Lovegrove CC
Mr. D. C. Bill MBE CC Mr. K. Merrie MBE CC
Mr. Max Hunt CC Mr. L. Phillimore CC

AGENDA

<u>Item</u>	<u>Report by</u>
1. Minutes of the meeting held on 4 November 2021.	(Pages 3 - 8)
2. Question Time.	
3. Questions asked by members under Standing Order 7(3) and 7(5).	
4. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.	
5. Declarations of interest in respect of items on the agenda.	
6. Declarations of the Party Whip in accordance with Overview and Scrutiny Procedure Rule 16.	



7. Presentation of Petitions under Standing Order 35.

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| 8. Medium Term Financial Strategy 2022/23 - 2025/26 | Director of Environment and Transport and Director of Corporate Resources | (Pages 9 - 26) |
| 9. Progress Review on Flooding Scrutiny Review Panel | Director of Environment and Transport | (Pages 27 - 40) |
| 10. Members' Highway Fund Update | Director of Environment and Transport | (Pages 41 - 46) |

11. Date of next meeting.

The next meeting of the Committee is scheduled to take place on Thursday 3 March 2022 at 2.00pm.

12. Any other items which the Chairman has decided to take as urgent.



Minutes of a meeting of the Highways and Transport Overview and Scrutiny Committee.
held at County Hall, Glenfield on Thursday, 4 November 2021.

PRESENT

Mr. T. Gillard CC (in the Chair)

Mr. D. C. Bill MBE CC

Mr. B. Champion CC

Mrs. H. J. Fryer CC

Mr. Max Hunt CC

Mr. K. Merrie MBE CC

Mr. C. A. Smith CC

In attendance

Mr. O. O'Shea CC – Cabinet Lead Member for Highways and Transportation

Mrs. M.A. Wright CC – Cabinet Support Member for Highways and Transportation

Mrs. P. Posnett - Cabinet Lead Member for Community and Staff Relations (minute 18 refers).

11. Minutes of the previous meeting.

The minutes of the meeting held on 2 September 2021 were taken as read, confirmed and signed.

12. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

13. Questions asked by members.

The following questions were received from Mr. M. Hunt CC:

1. According to the Treasury's figures the East Midlands has been consistently the lowest funded region per head for transport of any English region and the latest data published in July 2021 confirmed that funding has declined over the last 20 years to just 58% of the UK average.

Could the Chairman provide me with a list of all transport related bids by the County Council (or shared by the County), annually over the last 10 years, of over £1million, indicating the size of the bid and that of the award, if made?

Response from the Chairman:

Please see the attached table.

2. A report in early October 2021 by the LGA indicated that capital funding for this current year 2021/22 was to be cut by £400m (which they estimated to represent 9.5million pothole repairs). What was the initial budget for road maintenance for this year and how has this announcement affected our plans?

Response from the Chairman:

The allocated maintenance budget for 2021/22 of £22.4m has not changed and no in year funding cut has been advised by the Department for Transport.

14. Urgent items.

There were no urgent items for consideration.

15. Declarations of interest in respect of items on the agenda.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

Mr. K. Merrie CC and Mr. C. Smith CC declared personal interests in agenda item 10: A511 Growth Corridor Proposals as the proposals related to the electoral divisions they represented.

Mr. T. Gillard CC also declared a personal interest in agenda item 10 as he was the Cabinet Lead Member at North West Leicestershire District Council for Business and Regeneration.

16. Declarations of the Party Whip.

There were no declarations of the party whip in accordance with Overview and Scrutiny Procedure Rule 16.

17. Presentation of Petitions.

The Chief Executive reported that no petitions had been received under Standing Order 35.

18. Engagement on the Council's Strategic Plan.

The Committee considered a report of the Chief Executive, the purpose of which was to seek the Committee's views on the draft Strategic Plan (2022 – 26) as part of the 12-week public consultation period which commenced on 1 November 2021. A copy of the report marked 'Agenda Item 8', is filed with these minutes.

The Chairman welcomed Mrs. P. Posnett CC, the Cabinet Lead Member for Community and Staff Relations, to the meeting for this item.

Arising from discussions the following points were noted:

- (i) Whilst members endorsed the ambitions set out in the Strategic Plan, they raised concerns that the funding was not available to match those ambitions.
- (ii) Members were of the view that some of the aims in the Strategic Plan were in opposition to each other, for example the plan to increase cycling and walking conflicted with the major road programme which would increase traffic. In response

members were referred to section 5.4 of the Strategic Plan which set out how the local economy would be decarbonised.

- (iii) The Strategic Plan was a living document and could be updated as time went on to reflect the difficulties bus operators were facing as a result of the Covid-19 pandemic and whether that situation improved or not.
- (iv) The Director undertook to speak to Mr D. Bill CC after the meeting regarding his concerns about the Council's response to the Hinckley and Bosworth Local Plan 2020-2039.

RESOLVED:

- (a) That the update on the work undertaken to review and refresh the Council's Strategic Plan be noted.
- (b) That the Chief Executive be requested to give consideration to the comments now raised as part of the consultation on the Council's Draft Strategic Plan (2022 – 2026).

19. National Bus Strategy.

The Committee considered a report of the Director of Environment and Transport which provided an update on work associated with the implementation of 'Bus Back Better' the National Bus Strategy and set out the financial implications for the Leicestershire Bus Service Improvement Plan. A copy of the report, marked 'Agenda Item 9', is filed with these minutes.

Arising from discussions the following points were noted:

- (i) The Council's ability to deliver the Bus Service Improvement plans was dependent on the amount of funding that would be received from central government. Consideration was being given to what other funding options would be available should the Government funding not materialise, and developer contributions was one option, however decisions on alternatives could not be made until the announcement on the Government funding was made. The table in Appendix C set out which sources of funding were intended to be used for which scheme and where non-government funding was required this was marked in the table as 'Private'.
- (ii) Some of the funding from government would be used in Leicestershire to encourage behavioural changes regarding public transport. It was important to encourage young people to use public transport before they became entrenched in the habit of using private vehicles to move around. New ways to engage with and get feedback from young people regarding public transport needed to be found and digital methods and use of mobile phone technology were being considered.
- (iii) Leicestershire County Council and Leicester City Council worked closely together with regards to public transport and the Leader of the County Council had recently met with the City Mayor to discuss the National Bus Strategy and each authority's Bus Service Improvement Plan. However, the two authorities were to have separate Enhanced Partnership Schemes as the City and County had different needs and priorities with regards to public transport particularly as the population of the County

was much more dispersed and therefore the public transport market faced different challenges in the County.

- (iv) A member was of the view that greater consideration needed to be given to market towns when planning bus services.
- (v) Car parking prices could be used as a lever to encourage people to use public transport. Off-street parking was the responsibility of district authorities therefore the County Council could only control the price of on-street parking if it were to choose to charge for on-street parking. A member raised concerns that using parking prices as a lever would be ineffective and have undesirable consequences.

RESOLVED:

That the update on work associated with the implementation of 'Bus Back Better' and the financial implications for the Leicestershire Bus Service Improvement Plan be noted.

20. A511 Growth Corridor Proposals.

The Committee considered a report of the Director of Environment and Transport which provided an update on the progress of the A511 Growth Corridor proposals and an opportunity for comment prior to seeking Cabinet approval to submit a planning application for the extension of the Bardon Link Road. A copy of the report, marked 'Agenda Item 10', is filed with these minutes.

It was noted that a pre-submission consultation exercise had been undertaken to support the submission of a planning application in respect of the new Bardon Link Road. The feedback from the consultation was still being analysed but approximately 50% of respondents were in support of the proposals.

Members supported the proposals but raised concerns regarding the escalating costs of materials.

RESOLVED:

- (a) That the update on the progress of the A511 Growth Corridor proposals be noted;
- (b) That the proposal to submit a planning application for the extension of the Bardon Link Road be welcomed.

21. Highways and Transport Annual Performance Update.

The Committee considered a joint report of the Chief Executive and Director of Environment and Transport which provided an annual performance update on the key performance indicators that the Council was responsible for delivering against the Council's Strategic Plan. A copy of the report, marked 'Agenda Item 11', is filed with these minutes.

The Director of Environment and Transport encouraged members to complete the National Transport Survey which was currently open.

It was noted that the County Council had secured £1.3m of the Government's Rural Mobility Fund to introduce a 3-year pilot of a modern demand responsive transport (DRT)

service which was anticipated to start early in 2022. In response to a question from a member the Director gave reassurances that it was intended to make maximum use of Section 106 Developer Contributions to expand and promote demand responsive transport services.

The Cabinet Lead Member for Highways and Transportation praised and thanked officers for achieving such a high level of performance whilst the Authority was in receipt of low levels of funding.

RESOLVED:

That the 2020/21 Annual Performance update be noted.

22. Fuel Position Update

The Director of Environment and Transport gave a verbal update with regards to the recent fuel shortages and the impact on County Council services. It was reported that the impact had been very minor and the situation had returned to normal both locally and nationally. There were no current issues in connection with fuel shortages for Leicestershire County Council.

RESOLVED:

That the contents of the update be noted.

23. Date of next meeting.

RESOLVED:

It was noted that the next meeting of the Committee would be held on 20 January 2022 at 2.00pm.

2.00 - 3.20 pm
04 November 2021

CHAIRMAN

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HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY COMMITTEE
20 JANUARY 2022

MEDIUM TERM FINANCIAL STRATEGY 2022/23 – 2025/26

JOINT REPORT OF THE DIRECTOR OF ENVIRONMENT AND TRANSPORT
AND THE DIRECTOR OF CORPORATE RESOURCES

Purpose of Report

1. The purpose of this report is to:-
 - a) Provide information on the proposed 2022/23 to 2025/26 Medium Term Financial Strategy (MTFS) as it relates to the Highways and Transport services of the Environment and Transport Department; and,
 - b) Ask the Committee to consider any issues as part of the consultation process and make any recommendations to the Scrutiny Commission and the Cabinet accordingly.

Policy Framework and Previous Decisions

2. The County Council agreed the current MTFS in February 2021. This has been the subject of a comprehensive review and revision in light of the current economic circumstances. The draft MTFS for 2022/23 – 2025/26 was considered by the Cabinet on 14 December 2021.

Background

3. The MTFS is set out in the report to Cabinet on 14 December 2021, a copy of which has been circulated to all Members of the County Council. This report highlights the implications for the Highways and Transport Services.
4. Reports such as this one are being presented to the relevant Overview and Scrutiny Committees. The views of this Committee will be reported to the Scrutiny Commission on 31 January 2022. The Cabinet will consider the results of the scrutiny process on the 11 February 2022 before recommending an MTFS, including a budget and capital programme for 2022/23, to the County Council on the 23 February 2022.

Proposed Revenue Budget

5. Table 1 below summarises the proposed 2022/23 revenue budget and provisional budgets for the next three years thereafter. The proposed 2022/23 revenue budget is shown in detail in Appendix A – Revenue Budget 2022/23.

Table 1 – Revenue Budget 2022/23 to 2025/26

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
Original prior year budget	50,312	51,436	52,021	53,401
Budget transfers and adjustments	819	0	0	0
Add proposed growth (Appendix B – Growth and Savings 2022/23 – 2025/26)	1,845	1,100	1,550	1,235
Less proposed savings (B)	-1,540	-515	-170	0
Proposed/Provisional budget	51,436	52,021	53,401	54,636

6. Detailed service budgets have been compiled on the basis of no pay or price inflation, a central contingency will be held which will be allocated to services as necessary.
7. The central contingency also includes provision for an increase of 1% each year in the employers' pension contribution rate, in line with the requirements of the actuarial assessment.
8. The total proposed expenditure budget for Highways and Transport services in 2022/23 is £65.08m with contributions from grants, service user income, recharges to the capital programme and various other income totalling £13.65m. The proposed net budget for 2022/23 of £51.44m is distributed as shown in Table 2 below:

Table 2 - Net Budget 2022/23

	£000
Development & Growth	1,340
H&T Commissioning	1,902
H&T Network Management	2,771
H&T Operations Delivery	8,193
H&T Operations Resourcing	31,835
H&T Operations Services	5,395
Total	51,436

Budget Transfers and Adjustments

9. Several budget transfers (totalling a net increase of £1.10m) were made during the 2021/22 financial year. These transfers include: -
 - £1.08m for running cost/contract inflation for highways maintenance, street lighting and transport budgets from the central inflation contingency;
 - £0.07m for additional costs associated with an increase in fuel duty on red diesel;
 - -£0.05m to the Corporate Resources Department for the centralised management of mobile phones, end user devices and photocopiers under the Ways of Working programme.

10. Adjustments were made across the Environment and Transport Department to manage the budget within the overall funding envelope. This has resulted in an overall reduction of £0.28m for Highways and Transport services.
11. Growth and savings have been categorised in the appendices under the following classification: -
- * - item unchanged from previous MTFS,
 - ** - item included in the previous MTFS, but amendments have been made,
 - no stars - new item.
12. This star rating is included in the descriptions set out for growth and savings below.
13. Savings have also been classified as 'Eff' or 'SR' dependent on whether the saving is seen as efficiency or service reduction or a mixture of both. 'Inc' denotes those savings that are funding related and/or generate more income.

GROWTH

14. The overall growth picture for Highways and Transport services is presented below.

References		2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
	<u>GROWTH</u>				
	<u>Highways & Transport</u>				
	<u>Demand & cost increases</u>				
** G11	Special Educational Needs transport - increased client numbers/costs	1,200	2,300	3,850	5,150
G12	Resources to support management of risks associated with Capital Programme delivery	265	265	265	265
G13	Resources to address safety compliance matters across Transport Operations	45	45	45	45
G14	Passenger Transport Service	150	150	150	150
G15	Highway Maintenance (LGA subscription saving)	65	65	65	65
G18	HGV Driver Market Premia	65	65	65	0
G19	Hydrotreated Vegetable Oil to replace bunkered diesel (CO2 saving)	55	55	55	55
	TOTAL	1,845	2,945	4,495	5,730

15. For 2022/23 growth represents an increase of £1.85m (or 3.7%) compared to the original prior year budget. SEN transport is the main driver of growth, pushing up the bottom-line to £5.73m by 2025/26. More details on each growth line are provided in the following section.

Demand & Cost Increases

G11(**) SEN Transport – Increased client numbers/costs: £1.20m in 2022/23 rising to £5.15m by 2025/26

The cost of Special Educational Needs (SEN) transport continues to increase significantly. The number of pupils requiring transport is projected to increase by 12% in 2022/23 in line with the anticipated growth of pupils with an Education, Health and Care Plan (as projected by Children's and Family Service). In addition, the daily cost of transport is rising at a rate of 2% annually due to the need to provide transport for those with more complex needs as identified by risk assessments. This includes

increased need for solo transport as well as additional support. Any impact arising from the development of additional local SEN provision is unable to be quantified at this point and will be closely monitored particularly if children move from residential provision requiring weekly transport to local provision requiring daily transport. It is unlikely that pupils with complex needs currently in residential provision will move to the new provision which is focused at meeting different needs. Work will be undertaken in collaboration with Children and Family Services Department (C&FS) to review future growth projections.

G12 Resources to support management of risks associated with Capital Programme delivery: £0.27m in 2022/23

Funding to allow the department to begin implementation of some of the recommendations made by external consultants on Capital projects including: increased commercial input to major schemes ensuring contract value and risk reduction; improved processes around governance, cost estimation and risk; develop robust pipeline schemes to better inform scheme bids (to secure higher proportion of grants per scheme); and to ensure developer contributions remain up to date and appropriately evidenced to ensure maximum funding is secured.

This work also emphasised the need for upfront investment in risk management to prevent cost escalation in the future. This principle equally applies to the asset management side of the capital programme and therefore growth also includes for a dedicated Asset Manager to adopt and implement strategies to ensure we can manage future maintenance demands and reduce the increasing cost pressures

G13 Resources to address safety compliance matters across Transport Operations: £0.05m in 2022/23

Additional resources to support risk management and statutory inspections, and address safety related matters across our depots.

G14 Passenger Transport Service: £0.15m in 2022/23

Funding for additional resources to respond to increasing backlog arising from continuous growth in SEN pupils (currently 12% per annum) requiring transport packages whilst the service undertakes a process re-engineering exercise with a view to increased automation and drive efficiencies.

G15 Highways Maintenance (LGA subscription saving): £0.07m in 2022/23

Savings arising from the withdrawal of subscription to the Local Government Association to be put into Highways Maintenance in accordance with previous Member decisions.

G16 HGV Driver Market Premia: £0.07m in 2022/23 to be removed by 2025/26

Time limited funded to cover costs associated with awarding Market Premia to specialist HGV drivers and winter gritter driver roles with longer-term implications to be reassessed as part of future MTFs.

G17 Hydrotreated Vegetable Oil to replace bunkered diesel (CO2 saving): £0.06m in 2022/23

Use of Hydrotreated Vegetable Oil (HVO) as a direct replacement for diesel fuel to significantly reduce emissions from our vehicle fleet.

SAVINGS

16. The overall savings picture for Highways and Transport services is presented below.

References	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
<u>SAVINGS</u>				
<u>HIGHWAYS & TRANSPORT</u>				
** Eff/SR				
Implement Review of Social Care and SEN Transport (Phase 2)	-350	-350	-350	-350
** Eff				
Temporary Traffic Management	-20	-20	-20	-20
** Eff/Inc				
Street Lighting - design services to developers and installation of street lighting on their behalf	-40	-65	-75	-75
** Eff/Inc				
E&T Continuous Improvement Programme - review of processes and potential income across a range of services	-290	-430	-440	-440
Eff				
SEN Transport Lean Review	-710	-1,060	-1,060	-1,060
Eff				
Passenger Transport Service - develop digital offer	0	0	-150	-150
Eff				
Small Fleet Servicing	-100	-100	-100	-100
Eff				
Low level street lighting energy savings	-30	-30	-30	-30
TOTAL	-1,540	-2,055	-2,225	-2,225

17. Highways and Transport services expects to be able to deliver £1.54m savings in 2022/23. This amount is projected to rise to £2.23m by 2025/26 subject to the delivery of several reviews and initiatives.

**ET2 (Eff/SR) Implement Review of Social Care and SEN Transport (Phase 2): -£0.35m in 2022/23

Originally planned for September 2019 implementation of post-16 SEN transport proposals were pushed back a year awaiting the outcome of the judicial review, that the Council ultimately was successful in defending. Mandatory PTB's for eligible students aged 16-18 have been implemented from September 2021, delivering savings in excess of targets.

**ET3 (Eff) Temporary Traffic Management: -£0.02m in 2022/23

The delivery of Temporary Traffic Management (TTM) has shifted from being primarily an external provision to an internal provision for 'stop/go' activities, allowing better commissioning of work and reduction in resources to meet needs. Sign shop improvements to negate the need for additional contractual costs associated with signs on patching works are also incorporated.

ET4 (Eff/Inc) Street Lighting – Design services to developers and installation of street lighting on their behalf: -£0.04m in 2022/23 rising to -£0.08m by 2024/25

Increase income generation by taking an active approach to the sale of design services to developers and the installation of street lighting on their behalf. Quotes for

the provision of design services will be offered as part of the existing s278 process when designs and/or design checks are complete.

****ET5 (Eff/Inc) E&T Continuous Improvement Programme – Review of processes and potential income across a range of services: -£0.29m in 2022/23 rising to -£0.44m by 2024/25**

Following the Highways Strategic challenge and similar works undertaken with Network Management a number of smaller-scale opportunities have been identified to generate savings. These have been captured under the remit of a continuous improvement programme and include:

- Highways recharges,
- Highways and Transformation function mapping,
- Highways driven inspections,
- Highways increased sponsorship,
- Network Management digital parking permits,
- Reduce use of postage within Highways.

ET6 (Eff) SEN Transport Lean Review: -£0.71m in 2022/23 rising to -£1.06m by 2023/24

Work completed by Newton Europe has identified a potential £1.06m savings deliverable through the application of a standard “should cost” approach to contracting. The “should cost” calculator determines an estimated cost per mile based on an individual's need after having factored in direct and indirect costs for each journey as well as the erosion of initial efficiencies generated through contract re-negotiations at the start of the academic year as a result of changes in pupil circumstances.

ET7 (Eff) Passenger Transport Service – Develop digital offer: -£0.15m in 2024/25

Review of internal processes with a view to reducing manual input, duplication of effort and maximising developments in technology including robotics.

ET8 (Eff) Small Fleet Servicing: -£0.10m in 2022/23

From the LCC fleet review, an opportunity to reduce workshop costs has been identified. Currently LCC inspect and maintain small vehicles to a higher frequency than is required. Manufacturer specifications are becoming more commonly mileage driven. With the vast majority of fleet vehicles only used during the day and within the County boundary, most vehicles are not expected to meet the mileage requirements and only need an annual service. The workshop currently inspects these vehicles multiple times per year. Cost reductions would be found from reduced workshop time needed (and therefore a reduction in posts).

ET9 (Eff) Low Level Street Lighting Energy Savings: -£0.03m in 2022/23

Extensions of the ‘dimming and trimming’ initiative to include all-night lit low-level streetlights. There are c16,000 low-level streetlights in the County (23% of total). Work commenced in March 2021 to save 55t CO₂e emissions and £30,000 per annum from streetlighting energy usage. Actual savings are calculated in kWh, thus any increase in tariff will be reflected in the savings delivered.

Savings under Development

18. There are a number of savings which are not yet currently developed enough to be able to quantify and build into the detailed savings schedules.
19. Expansion of Continuous Improvement Approach: The existing continuous improvement saving is primarily based on the pilot within Highways Delivery. The Department Management Team has agreed to roll out the approach to the other branches of the department to identify further savings within individual teams across the department. Workshops with individual team managers in Environment & Waste and Development & Growth are currently underway, with a proposed £400,000 target for opportunities identified as a result. Opportunities will be assessed, prioritised and scheduled for delivery over the life of the MTFS.
20. SEN Transport Lean Review: Potential for savings has been identified by Newton Europe from expanding the use of Fleet Transport. This would allow service users to be transferred from high cost taxi contracts onto Fleet. A further opportunity has been identified to introduce a comprehensive marketing / communications approach to voluntary PTBs to increase take-up further.
21. Digital Approach to Home to School Transport: Newton Europe phase 2 to include end to end integration with Children and Family Service (C&FS) and digital delivery. Broader work with C&FS and digital colleagues is being scoped.
22. Developer Income: Work proposed to review the approach to engaging with developers across the department, identifying opportunities to maximise the income potential. Currently there are a number of approaches in different teams (such as s278, the work in Street Lighting savings, and a previously developed proposal for introduction of pre-app charges in Highway Development Management). There are examples of other authorities that have a single approach to developer engagement that delivers and maximises income from the various activities included.
23. Grass Cutting Service Approach: Potential to see whether increasing wildflower populations on verges provides opportunities for reductions in grass cutting in urban areas.
24. County Wide Parking: Consider the introduction of on-street parking charges for parking on the highway in bays that are currently waiting time limited in line with available statutory powers.
25. Bus Lane & Other Enforcement: Look at options arising from new powers to enable enforcement of moving traffic offences.
26. School Crossing Patrol Funding: School Crossing Patrols are not a statutory function and do not need to be provided. Assuming patrols are to continue, then the Authority could seek funding from schools or other sources to cover costs.

Other Factors influencing MTFS delivery

27. Services are facing significant challenges in recruiting and retaining sufficiently skilled and qualified staff. Competition with major national projects such as HS2 and National Highways, as well as the private sector, mean that it is difficult to retain and recruit internal Council staff but also secure external consultants and contractors. Country wide

initiatives, such as the development of local cycling and walking investment plans, stimulates competition in certain skill sets across many local authorities. To meet needs the department currently relies heavily on buying in support at augmented prices where possible. This practice is likely to grow as emphasis is placed on delivering initiatives and recruitment remains extremely challenging.

28. The department retains exposure to fluctuations in market prices. Over the last few months, the department has witnessed a substantial increase in the general cost of construction materials with unprecedented price increases of over 30% compared to this time last year for some materials. Specifically, over the last year to July 2021, the price of steel (a key component to the Zouch Bridge replacement and Kibworth site development capital schemes) has increased by 56%. Over the same period the price of Asphalt work has increased 3.6%. Electrical components, timber, paints and concrete products are also in short supply not to mention HGV drivers critical to the delivery of component parts. Whilst it is assumed that this will not continue it is not clear at this stage how long prices will remain at these levels and the overall impact to the delivery of works programmes as contracts and rates are renewed and/or agreed.
29. With considerable ongoing uncertainty over the future viability of the public transport market post Covid-19, the risk of bus operators deregistering all or part of services (routes and/or frequency) remains, particularly in rural less densely populated areas. Coupled with rising fuel costs and shortage of bus drivers, routes are increasingly being scrutinised. This would in turn put greater pressure on the County Council's budget. Similarly, the department is seeing many taxi operators currently providing our SEN service withdraw from contracts due to difficulties in securing drivers or increasing cost due to fuel price rises. Retendering of services tends to lead to higher prices.
30. The Government's White Paper "Planning for the future", although designed to simplify the process and enable a broader application of funding, could impact on the level of developer contributions. It is currently uncertain what the implications for S106 contributions for improvements will be, but it is anticipated that these could be significantly reduced with a greater burden for funding to be found locally. The County Council has responded to the consultation making these comments.
31. The single year spending review provides added uncertainty concerning longer term investments including future years' capital programme allocations from the Department for Transport (DfT), which in turn could have a knock-on impact on the fees recovered from a revenue perspective.

Other Funding Sources

32. For 2022/23, a number of additional funding sources are expected and allowed for within the budget outlined in Appendix A – Revenue Budget 2022/23. These funding sources include external grants and other contributions from external agencies towards the cost of schemes delivered by the department. The key ones include:-
 - a) Section 38, 184 and 278 agreements – £2.89m income from developers relating to fees for staff time, mostly around design checks for these agreements;
 - b) Capital fee income - £8.30m for staff time charged in delivering the capital programme. Should elements of the capital programme not be delivered as planned, this could have an impact on the amount of staff time recovered.

However, the use of agency and temporary staff resource does give some scope for varying staff levels in order to minimise the risk of this resulting in overspending in staffing cost centres;

- c) Fees and charges/external works charges to other bodies (works for other authorities, enforcement of road space booking, permit scheme and network management and fleet services) - £5.00m;
- d) Driver Education workshop - £1.96m of fee income collected for the Road Safety Partnership from drivers taking speed awareness and similar courses. This income is returned to the partnership net of the cost of operating the courses;
- e) Joint arrangement income - £0.37m from Leicester City Council primarily to cover the costs of the City Council's share of the Park and Ride scheme that is jointly operated with the County Council.
- f) Civil parking enforcement income - £1.22m which covers penalty charge notices (PCNs) for on-street parking, income from the district authorities to cover the cost of processing off-street PCNs on their behalf and parking permit income;
- g) Vehicle workshop internal recharge - £1.50m, to ensure vehicle use is recharged back to the capital programme where appropriate;
- h) Other specific grants (such as Bus Service Operators Grant, Extended Rights to Free Home to School Travel and Rural Mobility Fund) - £2.65m;
- i) Leicester, Leicestershire, Rutland Road Safety Partnership - £0.28m returns and a drawdown from reserve to fund safety schemes; and,
- j) Leicester and Leicestershire Integrated Transport Model - £2.64m funding provided for the transport model development work.

Capital Programme

33. The draft capital programme is summarised in Table 3 and the detailed programme is set out in Appendix C. The capital programme is funded by a combination of the Local Transport Plan (LTP) grant, discretionary funding and other external and internal sources.

Table 3 – Summary Draft Capital Programme 2022/23 to 2025/26

	2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
Major Schemes	35,706	56,201	49,787	10,459	152,153
Transport Asset Management	19,348	21,053	15,181	13,377	68,959
Total	55,054	77,254	64,968	23,836	221,112

34. The programme in 2022/23 allows for £152.15m to deliver major infrastructure schemes including;

- Melton Mowbray Distributor Road - £69.60m for the North and East sections (total scheme costs £85.3m), and £34.72m for the Southern section (total scheme costs £37.5m);
- Zouch Bridge - £10.43m to complete the bridge replacement (total scheme cost £12.43m);
- County Council Vehicle Replacement programme - £10.60m;
- Advanced design programmes £12.10m.

Table 4 – Highways and Transportation Capital Funding

	2022/23	2023/24	2024/25	2025/26	Total
	£000	£000	£000	£000	£000
Grant - Local Transport Plan (LTP) - <i>Integrated transport element</i>	2,728	2,728	2,728	2,728	10,912
Grant – Local Transport Plan (LTP) - Total needs/formula allocation	7,891	7,891	7,891	7,891	31,564
Grant – Local Transport Plan (LTP) - Total <i>Incentive funding</i>	1,973	1,973	1,973	1,973	7,892
TIIF - Grants - DfT Pothole Funding	7,891	7,891	7,891	7,891	31,564
Grants - Housing infrastructure fund (HIF)	1,993	3,684	10,199	0	15,876
Grants - Melton Mowbray Distributor Road DfT Funding	19,909	24,603	0	0	44,512
S106 Contributions	0	46	0	0	46
Revenue and Earmarked Funds	1,385	450	0	0	1,835
Revenue Contribution to capital	1,293	1,293	0	0	2,586
Capital Substitution	0	0	-1,144	-1,144	-2,288
Corporate Funding (capital receipts and revenue)	9,991	26,695	35,430	4,497	76,613
Total Highways & Transportation	55,054	77,254	64,968	23,836	221,112

35. At the time of writing, the Government has yet to confirm the LTP allocation for 2022/23 and the pothole funding for any future years so these figures above are still provisional. The LTP funding from DfT comprises two elements:-

- a) Integrated Transport Schemes – funding of £2.73m has been assumed each year from 2022/23 to 2025/26. This funding will be used as match funding for grant bids into external funding streams. This resource will also be used to fund advanced design and feasibility studies to ensure outline business cases are available to support any such bids;
- b) Maintenance — LTP Maintenance funding of £7.89m is assumed each year for the basic needs-based allocation.

36. It has been assumed that the Governmental incentive level funding for capital maintenance activity on highways assets is to remain at the 2021/22 grant allocation rate. The incentive level funding is dependent on the County Council being able to demonstrate Level 3 in its Asset Management assessment.
37. Funding for improvement schemes is limited to that which can be secured from the various Government funding streams available for infrastructure. Some provision (around £10.60m over the MTFS) exists for advance design/match funding. However, increased levels of capital funding are being channelled through bidding processes. This has an impact in two ways. Significant amounts of staff time are required in submitting bids (including options modelling, developing business cases, liaising with Central Government, Midlands Connect and/or LLEP) which may be wasted if bids are unsuccessful. The costs of compiling and submitting a bid are significant and may not result in funding being awarded.
38. Schemes for which external funding has already been secured include:-
- Hinckley Junctions (National Productivity Infrastructure Fund),
 - Melton Mowbray Eastern Distributor Road (Local Majors Fund),
 - Melton Mowbray Southern Distributor Road (Housing Infrastructure Fund).
39. The main risk to delivery of the capital programme, other than securing appropriate levels of funding at a time of rising inflationary cost pressures and labour shortages, is delivery timescales. Government funding streams can often mean delivering to a time frame that is difficult to achieve. This can then lead to knock-on pressures for the department delivering its own programme as resources for scheme design, programme planning, and to an extent, delivery on the ground need to be diverted, and resources cannot always be secured externally.
40. Often this can be compounded by other pressures. Adverse weather conditions can play a part, especially for certain maintenance activities (such as surface dressing and flood alleviation works). Also, for some of the larger schemes, legal issues may need resolving around for example, compulsory purchase orders.

Capital Programme – Future Developments

41. Where capital projects are not yet fully developed, or plans agreed, these have been included under the heading of 'Future Developments' under the department's programme in Appendix C. It is intended that as these schemes are developed, and where there is a financial justification, or an investment required to maintain delivery of the service, they are added into the capital programme. These include:-
- Lutterworth Spine Road,
 - Additional bid development/match funding,
 - A511 Corridor,
 - Green vehicle fleet.

Background Papers

Report to Cabinet 14 December 2021 – Medium Term Financial Strategy 2022/23 to 2025/26
<http://politics.leics.gov.uk/documents/s165645/MTFS%20report.pdf>

Circulation under Local Issues Alert Procedure

None.

Equality and Human Rights implications

38. Public authorities are required by law to have due regard to the need to:-

- Eliminate unlawful discrimination, harassment and victimisation;
- Advance equality of opportunity between people who share protected characteristics and those who do not; and;
- Foster good relations between people who share protected characteristics and those who do not.

39. Many aspects of the County Council's MTFS may affect service users who have a protected characteristic under equalities legislation. An assessment of the impact of the proposals on the protected groups must be undertaken at a formative stage prior to any final decisions being made. Such assessments will be undertaken in light of the potential impact of proposals and the timing of any proposed changes. Those assessments will be revised as the proposals are developed to ensure decision makers have information to understand the effect of any service change, policy or practice on people who have a protected characteristic.

40. Proposals in relation to savings arising out of a reduction in posts will be subject to the County Council Organisational Change policy which requires an Equality Impact Assessment to be undertaken as part of the action plan.

List of Appendices

Appendix A – Revenue Budget 2022/23

Appendix B – Growth and Savings 2022/23 – 2025/26

Appendix C – Capital Programme 2022/23 – 2025/26

Officers to Contact

Ann Carruthers, Director of Environment & Transport

Tel: (0116) 305 7000

E-mail: Ann.Carruthers@leics.gov.uk

Chris Tambini, Director of Corporate Resources, Corporate Resources Department

Tel: (0116) 305 6199

E-mail: Chris.Tambini@leics.gov.uk

Nick Wash, Head of Finance, Corporate Resources Department

Tel: (0116) 305 7146

E-mail: Nick.Wash@leics.gov.uk

Susan Baum, Finance Business Partner, Corporate Resources Department

Tel: (0116) 305 6931

E-mail: Susan.Baum@leics.gov.uk

APPENDIX A

HIGHWAYS & TRANSPORT

REVENUE BUDGET 2022/23

Budget 2021/22 £		Employees £	Running Expenses £	Internal Income £	Gross Budget	External Income £	Net Total £
	HIGHWAYS & TRANSPORT						
	Development & Growth						
950,545	Development & Growth management AD	1,351,223	289,950	-572,627	1,068,546	-3,000	1,065,546
413,640	HS2	254,984	32,700	-4,956	282,728	-8,000	274,728
1,364,185		1,606,207	322,650	-577,583	1,351,274	-11,000	1,340,274
	H & T Commissioning						
1,803,533	H & T Staffing & Admin	4,405,938	3,274,973	-4,852,398	2,828,513	-926,491	1,902,022
	H & T Network Management						
1,280,486	Traffic controls	0	1,309,141	0	1,309,141	-25,000	1,284,141
557,360	Road Safety	487,825	634,765	-411,083	711,507	-209,147	502,360
-1,156	Speed Awareness	216,649	1,544,784	0	1,761,433	-1,761,433	0
205,842	Sustainable Travel	366,794	400,700	-562,927	204,567	0	204,567
758,599	H & T Network Staffing & Admin	4,279,561	60,249	-850,010	3,489,800	-2,709,862	779,938
25	Civil Parking Enforcement	0	1,217,369	0	1,217,369	-1,217,369	0
2,801,157		5,350,829	5,167,008	-1,824,020	8,693,817	-5,922,811	2,771,006
	Highways and Transport Operations						
	Highways & Transport Operations Delivery						
1,475,732	Staffing & Admin Delivery	1,842,089	148,240	-479,649	1,510,680	0	1,510,680
1,952,645	Winter Maintenance	590,130	1,395,015	0	1,985,145	0	1,985,145
103,290	Passenger Fleet	4,072,729	1,541,090	-5,301,027	312,792	-111,758	201,034
2,678,633	SEN Fleet	0	2,678,633	0	2,678,633	0	2,678,633
1,817,394	Social Care Fleet	0	2,053,394	0	2,053,394	-236,000	1,817,394
8,027,694		6,504,948	7,816,372	-5,780,676	8,540,644	-347,758	8,192,886
	Highways & Transport Operations Resourcing						
4,483,195	Environmental Maintenance	1,351,923	3,203,272	0	4,555,195	-72,000	4,483,195
1,955,500	Reactive Maintenance	640,998	1,611,705	-297,203	1,955,500	0	1,955,500
3,706,929	Staffing & Admin Resourcing	3,824,804	251,298	-86,000	3,990,102	-106,500	3,883,602
13,819,200	SEN External	40,000	14,315,639	0	14,355,639	-131,700	14,223,939
3,516,300	Mainstream School Transport	0	4,221,500	0	4,221,500	-1,107,600	3,113,900
2,175,400	Social Care External	0	2,282,815	0	2,282,815	-52,800	2,230,015
0	Joint Arrangements	0	353,110	-26,250	326,860	-326,860	0
2,221,231	Public Bus Services	0	3,855,607	-209,465	3,646,142	-1,541,911	2,104,231
-53,308	Fleet Services	569,883	822,413	-1,500,876	-108,580	-50,400	-158,980
31,824,447		6,427,608	30,917,359	-2,119,794	35,225,173	-3,389,771	31,835,402
	Highways & Transport Operations Services						
0	Holding accounts	0	0	0	0	0	0
2,214,860	Street Lighting Maintenance	295,308	1,980,558	0	2,275,866	-56,340	2,219,526
21,500	Blue badge	0	222,900	0	222,900	-150,250	72,650
397,561	H & T Operations Management	408,394	4,568	-8,598	404,364	0	404,364
-2,049,452	Staffing, Admin & Depot Overheads	5,987,585	3,971,229	-9,382,778	576,036	-2,819,310	-2,243,274
27,500	Cyclic Maintenance	4,520	22,980	0	27,500	0	27,500
4,977,600	Concessionary Travel	0	4,937,850	0	4,937,850	-23,850	4,914,000
5,589,569		6,695,807	11,140,086	-9,391,376	8,444,516	-3,049,750	5,394,766
51,410,585	TOTAL	30,991,335	58,638,448	-24,545,847	65,083,937	-13,647,581	51,436,356

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HIGHWAYS & TRANSPORT GROWTH & SAVINGS

References		2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000
	<u>GROWTH</u>				
	Demand & cost increases				
** G11	Special Educational Needs transport - increased client numbers/costs	1,200	2,300	3,850	5,150
G12	Resources to support management of risks associated with Capital Programme delivery	265	265	265	265
G13	Resources to address safety compliance matters across Transport Operations	45	45	45	45
G14	Passenger Transport Service	150	150	150	150
G15	Highway Maintenance (LGA subscription saving)	65	65	65	65
G18	HGV Driver Market Premia	65	65	65	0
G19	Hydrotreated Vegetable Oil to replace bunkered diesel (CO2 saving)	55	55	55	55
	TOTAL	1,845	2,945	4,495	5,730
	<u>SAVINGS</u>				
** Eff/SR	Implement Review of Social Care and SEN Transport (Phase 2)	-350	-350	-350	-350
** Eff	Temporary Traffic Management	-20	-20	-20	-20
** Eff/Inc	Street Lighting - design services to developers and installation of street lighting on their behalf	-40	-65	-75	-75
** Eff/Inc	E&T Continuous Improvement Programme - review of processes and potential income across a range of services	-290	-430	-440	-440
Eff	SEN Transport Lean Review	-710	-1,060	-1,060	-1,060
Eff	Passenger Transport Service - develop digital offer	0	0	-150	-150
Eff	Small Fleet Servicing	-100	-100	-100	-100
Eff	Low level street lighting energy savings	-30	-30	-30	-30
	TOTAL	-1,540	-2,055	-2,225	-2,225

References used in the following tables

* items unchanged from previous Medium Term Financial Strategy

** items included in the previous Medium Term Financial Strategy which have been amended

Eff - Efficiency saving

SR - Service reduction

Inc - Income

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APPENDIX C

HIGHWAYS & TRANSPORT - CAPITAL PROGRAMME 2022-26

Estimated Completion Date	Gross Cost of Project £000		2022/23 £000	2023/24 £000	2024/25 £000	2025/26 £000	Total £000
		Major Schemes					
Mar-25	85,270	Melton Distributor Road - North and East Sections	19,909	29,945	19,745	0	69,599
Mar-26	37,500	Melton Distributor Road - Southern Section	1,993	3,684	23,441	5,601	34,720
Mar-24	12,430	Zouch Bridge Replacement - Construction and Enabling Works	5,000	5,427	0	0	10,427
Mar-26	10,595	County Council Vehicle Replacement Programme	2,995	2,700	2,400	2,500	10,595
Mar-26	12,097	Advance Design / Match Funding	3,068	3,438	3,233	2,358	12,097
Mar-24	5,430	A511/A50 Major Road Network - Advanced design	942	2,429	0	0	3,371
Mar-25	10,000	Melton Depot - Replacement	550	8,127	968	0	9,645
Mar-24	1,700	Leicester and Leicestershie Integrated Transport Model - Refresh	1,250	450	0	0	1,700
			35,706	56,201	49,787	10,459	152,153
Mar-26	46,517	Transport Asset Management	0	19,048	14,531	13,127	46,706
Mar-23	2,499	Capital Schemes and Design	2,499	0	0	0	2,499
Mar-23	1,081	Bridges	1,081	0	0	0	1,081
Mar-23	303	Flood Alleviation- Environmental works	303	0	0	0	303
Mar-23	1,730	Street Lighting	1,730	0	0	0	1,730
Mar-23	433	Traffic Signal Renewal	433	0	0	0	433
Mar-23	3,893	Preventative Maintenance - (Surface Dressing)	3,956	0	0	0	3,956
Mar-23	8,978	Restorative (Patching)	8,978	0	0	0	8,978
Mar-23	21	Public rights of way maintenance	21	0	0	0	21
Mar-23	47	Network Performance & Realibility	47	0	0	0	47
Mar-23	5,655	Hinckley Hub (Hawley Road) - National Productivity Investment Fund	0	1,335	0	0	1,335
Mar-26	1,100	Safety Schemes	300	300	250	250	1,100
Mar-25	770	Highways Depot Improvements - subject to business case	0	370	400	0	770
			19,348	21,053	15,181	13,377	68,959
		TOTAL	55,054	77,254	64,968	23,836	221,112

Future Developments - subject to further detail and approved business cases							
		Additional bid development/match funding					
		Lutterworth Spine Road					
		A511 Corridor					
		Green vehicle fleet					

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**HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY
COMMITTEE – 20 JANUARY 2022**

PROGRESS REVIEW ON FLOODING SCRUTINY REVIEW PANEL

REPORT OF THE DIRECTOR OF ENVIRONMENT & TRANSPORT

Purpose of the Report

1. The purpose of this report is to update to the committee on the progress made and work undertaken towards the approved recommendations of the January 2021 Scrutiny Review Panel report.

Policy Framework and Previous Decisions

2. Leicestershire County Council has three separate statutory roles and duties in relation to water and flooding:
 - a) as Lead Local Flood Authority (LLFA) as set out in the Flood and Water Management Act 2010 “the 2010 Act”, whose responsibility it is to lead in managing local flood risk;
 - b) as defined within the Civil Contingencies Act 2004;
 - c) as Highways Authority under the Highways Act 1980, Leicestershire County Council is responsible for the provision and management of highway drainage, excluding motorways and trunk roads that are the responsibility of the Highways Agency (National Highways).
3. The 2010 Act requires the County Council as LLFA to produce and agree a Local Flood Risk Management Strategy and Leicestershire’s Strategy was approved by Cabinet on 11 September 2015 following a public consultation and consideration by the Overview and Scrutiny Committee. The strategy has a 6-year refresh cycle and is currently under review.

Background

5. Following significant flooding in October and November 2019 the Environment and Transport Overview and Scrutiny Committee requested at its meeting on 16 January 2020 that a Scrutiny Review Panel be set up to consider the role of

the Council as LLFA and its links with other flood risk management authorities (RMAs).

6. While the Council has a good relationship with partners involved in responding to flooding, there was interest amongst Members regarding accountability, engagement and the effectiveness of existing structures and how the LLFA co-ordinates and executes actions from those partners. The lack of influence the County Council has as LLFA over recommendations arising from its investigations under Section 19 of the Flood and Water Management Act 2010 and its influence with other RMAs, were identified as a specific area of concern.
7. The final report of the Scrutiny Review Panel on Flooding was an agenda item at the 14 January 2021 meeting of the Environment and Transport Overview and Scrutiny Committee. The panel made 25 recommendations which were approved by Cabinet on 5 February 2021.

Update on 2021 recommendations

8. Since the January 2021 Scrutiny Review Panel report was published, there has been significant progress across the recommendations. Detailed updates relating to each recommendation are presented in Appendix A.
9. Key actions undertaken since the original Scrutiny report include:
 - a) The Local Flood Risk Management Strategy refresh is currently underway with a scheduled public consultation for Summer/Autumn 2022 (subject to continued resource availability). The Strategy update will also be supported by a new more interactive website which will aim to provide improved visibility of information for the residents and businesses of Leicestershire.
 - b) The Flood Risk Management Board has been reignited and well attended resulting in a revised terms of reference for the group and a key focus has been on how all agencies can provide consistent and coherent communication messages with regards to flooding. A Communications Plan is currently being drafted which details specific key points throughout the year (in addition to those issued during a flood event) when comms will be released, and details agreed on information that would be best issued.
 - c) The LLFA is to be the lead organisation for Recovery Cells created as part of any Tactical Coordinating Group (TCG) or Strategic Coordinating Group (SCG) meetings to try to minimise work duplication and to maximise the efficiency of limited resources from all organisations during emergency situations.
 - d) The formal flood investigation reports (made under Section 19 of the 2010 Act) have been updated to include timescales for agreed actions.
10. Some of the recommendations made, consisted of work that the LLFA was already conducting and therefore there has been a continuation of delivery of

service. For the purposes of this report, the recommendations have been categorised into themes. The table below details action status and timescales for delivery of all recommendations to date.

Table: Update on recommendations

Recommendation	Recommendation Theme	Action Status	Timescale
a	Strategy update	In progress	Due Autumn 2022
b,o,p,q,r,s,t,u	Comms	In progress	Due Summer 2022
c	Public meetings	Complete	Complete
d	Riparian responsibilities	Complete	Ongoing
e	Timescales – Section 19 reports	Complete	Complete
f	Recruitment	Complete	Complete
g	Planning responses	Complete	Ongoing
h	Asset Map	In progress	Ongoing
i	Report it now	Ongoing	Ongoing
j	Gulley contract	Complete	Complete
k	Partnership working	Complete	Ongoing
l	ToR FRMB	Complete	Complete
m	Sharing lessons learnt	Complete	Ongoing
n	Maximising contributions	Complete	Ongoing
v	Flood Plans	Ongoing	Ongoing
w	Flood Wardens	Ongoing	Ongoing
x	Scrutiny report circulation	Complete	Complete
y	Update frequency	Complete	As appropriate

*Note: All timescales proposed are subject to resource availability.

Resource Implications

11. There are no specific resource implications arising from this report, staffing levels are good and work is subject to regular prioritisation. However, weather conditions can lead to a rapid reprioritisation of workload and significant internal property flooding can trigger new Section 19 investigations which will take priority over other work. Not all resources are Leicestershire County Council's, there are other Flood Risk Management Authorities such as the Environment Agency, Severn Trent Water and the district councils with their separate remits whose resources are utilised as part of the collaborative approach to flood risk management.
12. The Director of Corporate Resources and the Director of Law and Governance have been consulted on the contents of the report.

Conclusions

13. A recommendation from Scrutiny Panel report was for an annual update paper. This report provides that update and highlights the progress that has been made across these recommendations and sets out timescales for ongoing actions.
14. The committee is asked to comment on progress and whether ongoing annual updates should be brought for consideration in future.

Background papers

Final report of the Scrutiny Review Panel on Flooding – 14 January 2021
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=1044&MID=6392#A166640>

Cabinet agenda and minutes – 5 February 2021
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=135&MId=6440&Ver=4>

Local Flood Risk Management Strategy
<https://www.leicestershire.gov.uk/environment-and-planning/flooding-and-drainage/flood-risk-management>

Circulation under the Local Issues Alert Procedure

None

Equality and Human Rights Implications

15. No actions required for this paper but an EHRIA is being produced for the revised Local Flood Risk Management Strategy which is expected to be complete in Autumn 2022.

Other Relevant Impact Assessments

16. No detailed environmental assessments have been undertaken on the recommendations of the 2021 review panel report however, the County Council will assess the environmental implications of the new Local Flood Risk Management Strategy during its development and any flood alleviation projects, at appropriate points, during their progress.

Appendices

Appendix A – Detailed update on recommendations
Appendix B - Terms of Reference for Flood Risk Management Board

Officers to Contact

Ann Carruthers
Director, Environment and Transport
Tel: (0116) 305 7000
Email: Ann.Carruthers@leics.gov.uk

Janna Walker
Acting Assistant Director, Development and Growth
Tel: (0116) 305 0785
Email: Janna.Walker@leics.gov.uk

Pat Clarke
Assistant Director, Highways and Transport Operations
Tel: (0116) 305 4244
Email: Pat.Clarke@leics.gov.uk

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Appendix A: Detailed update on recommendations

- a) **The Panel supports a refresh of the Flood Risk Management Strategy in September 2021 and asks that the comments and recommendations of the Panel are taken on board.**

The update to the Local Flood Risk Management Strategy is underway and currently scheduled for public consultation in Summer/Autumn 2022 (subject to resource availability). The update to the Strategy will be supported by a more interactive website which will aim to provide improved visibility of information for the residents and businesses of Leicestershire.

- b) **That communication of the County Council's role and responsibilities as the LLFA be reviewed to clarify that whilst it does have limited powers under the Land Drainage Act 1991 it does not have powers to force other authorities to carry out works to help alleviate flooding issues. It is therefore limited in its ability to implement solutions to flood issues or enforce other agencies and riparian owners to undertake works, even when identified as being necessary following a Section 19 investigation. This is important to help residents understand the Council's position and manage expectations.**

The Council has Guidance Notes which are routinely released to the public and Members to help clarify roles and responsibilities. The update to the Strategy is to be supported by a more interactive website which will aim to provide improved visibility of all information including a revised version of the Guidance Notes.

The Council has reignited the Flood Risk Management Board which has been well attended and supported by all partner bodies. A key action of the Board over the past year has been a focus on communication and how all responsible bodies can communicate roles and responsibilities more effectively and consistently. The Board is currently drafting a Communications Plan that all bodies will utilise to ensure a consistent message is issued to the public and businesses of Leicestershire at specific targeted points of the year. The Board is scheduled to meet at set times of the year to coincide with these periods of targeted consistent comms. The first board meeting was held on 6 July 2021 and it was agreed that the board would meet three times per year.

- c) **That a protocol be created and set out on any agenda for public meetings created following flooding events that clarifies the role of all that attend and how it would be conducted.**

As a Category 1 responder under the Civil Contingencies Act (CCA) 2004, the Council attends all emergency response meetings including SCG and TCG meetings. During a flood event, where there is a need for a Recovery

Coordinating Group (RCG) the Council is likely to chair and lead the multi-agency recovery process for communities and residents and will take the lead on numerous recovery sub-cell meetings. It is anticipated that the Council will coordinate and agree the lead body for recovery and public meetings. The LRF recovery process and recovery cell group structure has been agreed by all LLR Category 1 organisations.

- d) **That refreshed information be provided to riparian owners on their responsibilities generally, following a Section 19 investigation, and where to seek further advice when they are required to undertake work.**

The LLFA commonly incorporate an action relating to reminding riparian landowners of their responsibilities in Section 19 reports.

- e) **That the County Council continue to closely engage with communities and residents as part of Section 19 investigations in setting realistic timescales and expectations.**

The LLFA now incorporates agreed timescales with responsible bodies within published Section 19 reports. Actions are tracked and monitored by the LLFA to understand progress to allow for updating affected communities. Any actions listed by other Risk Management Authorities including water companies and the Environment Agency are discussed at regular partnership catch up meetings. All actions are agreed with responsible bodies before publication of reports however the LLFA has no jurisdiction over their successful implementation.

- f) **The Panel supports ongoing work to continue to recruit to the Flood Risk Management Team to ensure the County Council meets its statutory duties and continues to respond to and provide support to residents affected by flooding without the need to rely on consultants which often prove more costly.**

At the time of writing the LLFA is currently fully resourced and all posts are occupied.

- g) **That the County Council continue to assist LPA's and respond to planning applications that present flooding concerns including for smaller applications where there was no statutory requirement, if resource allowed.**

The LLFA continues to deliver this service and provide support to LPAs where possible on Minor planning applications. The LLFA delivered a workshop to all LPAs in September 2021 to help them understand where flooding issues may be of a concern in an attempt to reduce unnecessary consultations on Minor applications that have no relevant flood concerns.

- h) That the Council continue to develop a comprehensive asset map to record assets and maintenance records.**

The Highway Authority updates asset data and maintains maintenance records for routine and reactive gully emptying embedded as part of the service. A project is underway to investigate the feasibility of mapping unknown underground assets (pipework) over the highway network, funded by an additional £250,000 investment in the 2021/22 financial year. Findings are to be reported in February 2022.

- i) That the use of the ‘Report It’ website continued to be promoted widely.**

Customers are directed to the “Report it” website via the LCC webpages for flooding. The Customer Services Centre is also widely promoted by the Authority as a single point of contact.

- j) That as part of the upcoming review of the asset classification review of the Gully Emptying Contract in February 2021 include an examination of the backlog of gully and drainage defects and general customer enquiries and whether it was cost effective in reducing outstanding queries.**

The checking of data provided by the gully emptying contractor continues to deliver efficiencies and reduce the amount of duplicate reactive works undertaken. However, the increase in the number of gullies attended in any year is reflected in an increased number of reports sent back by the contractor. Customer enquiries are heavily influenced by adverse weather.

- k) That the good partnership work undertaken is noted and welcomed and that it is further explored how good practice can be evidenced and shared across organisations.**

The LLFA continues to work collaboratively with all partner bodies, particularly through attending meetings such as the East Midlands LLFA Networking Group, Regional Flood and Coastal Committee meetings, Anglian LLFA Networking meetings etc. The LLFA is also the chair of the Flood Risk Management Midlands Highways Alliance Plus Group and holds frequent meetings with Severn Trent Water/Anglian Water and the Council’s Highways team to discuss flood enquiries. In addition to the above the LLFA chairs the Flood Risk Management Board which is well attended by all partner bodies. One of the key objectives of this Board is to share good practice and work more collaboratively.

- l) That the Terms of Reference of the Flood Risk Management Board be revised for the next Board Meeting (expected April 2021) taking into account the views and recommendations put forward by the Panel.**

The Terms of Reference for the Flood Risk Management Board has now been agreed and confirmed.

- m) That lessons be learnt from the successful completion of the Lubbesthorpe Brook, property level protection for Sharnford, and Cossington Sluices schemes.**

The LLFA continues to work closely with all partner bodies including the Environment Agency to share and incorporate lessons learnt into all projects.

- n) That the County Council work with the Environment Agency to encourage contributions to flood risk schemes from private landowners and local businesses.**

The LLFA continues to consider the appropriateness of encouraging contributions from private landowners and local businesses on all projects within the Flood Risk Management Project Programme.

- o) That as part of the County Council's Flood Information it advertises the Environment Agency's Flood Incident Hotline and its Flood Warning Alert System.**

The Council routinely advertises the Flood Incident Hotline and Flood Warning Alert System particularly during a flood event. Links to both are also available on the LLR Prepared website <https://www.llrprepared.org.uk/prepared-residents/> and County Councils website <https://www.leicestershire.gov.uk/environment-and-planning/flooding-and-drainage/emergency-flood-advice>

A key action of the Flood Risk Management Board is to deliver comms in a more coordinated manner and a Communications Plan is currently being drafted which details specific key points throughout the year (in addition to those issued during a flood event) whereby the public will be signposted to all information such as the Flood Incident Hotline and Flood Warning Alert System.

- p) That the County Council work with the Local Resilience Forum to ensure that communities and residents be made aware of actions that they can take to mitigate the potential impact of flooding and increase their resilience.**

As mentioned above, it is a key objective of the Flood Risk Management Board to develop consistent communications messages in partnership with all LLR Category 1 responders and agree when and how the messages are released.

- q) That communication messages are refreshed to ensure:**

- **those 'at risk' are signposted to the appropriate agencies.**
- **Residents understand what to do before, during and following a flood.**
- **Advice is provided regarding dealing with insurance claims and signposts to Flood Re and other useful organisations.**

The update to the Strategy will be supported by a more interactive website which will aim to provide improved visibility of information for the residents and businesses of Leicestershire.

As 'p' above.

- r) **That all residents are encouraged to sign up for the Environment Agency's flood alert system.**

As 'p' above.

- s) **That new communication messages are created to address those who have never experienced a flooding event to highlight the risks in light of the increasing risk of climate change.**

As 'p' above.

LLR Prepared has also recently published a new Multi-Agency Flood Plan which identifies target audiences and types of information required to be communicated for different scenarios.

- t) **That appropriate methods of communication are considered and utilised to disseminate such messages such as, but not limited to leaflets, Leicestershire Matters, Twitter and Parish communications.**

As 'p' above.

- u) **That alternatives to sandbags, such as door board gates, one-way toilet flows and other types of property level protection are promoted to residents to look at simple cost-effective ways of reducing their own flood risk.**

The LLFA has draft Guidance Notes which are released to the public and Members to raise the profile of alternative methods of Property Level Protection.

The update to the Strategy will be supported by a more interactive website which will aim to provide improved visibility of information for the residents and businesses of Leicestershire.

As mentioned above, it is a key objective of the Flood Risk Management Board to develop consistent communications messages and agree when and how the messages are released. Incorporated within these agreed communications messages are links to websites that specifically reference Property Level Protection.

- v) **That the LRF and the County Council communicate to parishes and local communities the need to create community flood plans and provide them with information to enable them to play a role in providing advice to residents to better help prepare for flooding incidents.**

District and Borough Resilience Officers (D&B ROs) targeted different parishes/communities with a £600 stores scheme incentive a few years ago. The D&B ROs now test their plans and go through updating them when necessary. Recently in Kibworth, they activated their community response plan in the July flooding, this was then reviewed, and the relevant RO also did a de-brief with the community.

- w) **That fresh publicity is given to the importance of the role of Flood Warden to promote uptake in areas without them, which the Flood Risk Management Board will oversee.**

Flood Warden training is provided throughout the year by group and individual provision, as dictated by natural turnover and the identification of areas at risk. This is undertaken locally by Resilience Officers linked to boroughs and districts as part of the Resilience Partnership of all 10 Local Authorities in LLR. They communicate directly with boroughs and districts, parishes and community groups to promote the role, recruit and train Flood Wardens as required.

- x) **That this report is circulated to all members of the County Council and that their role as Community Champions to promote such recommendations within their communities is highlighted.**

The report has been circulated to all Members of the County Council.

- y) **That the Environment and Transport Overview and Scrutiny Committee, as the Council's Flood Risk Management Committee receive an annual report providing an update on progress made and work undertaken towards approved recommendations.**

Since then, the Environment and Transport Overview and Scrutiny Committee has been split to Highways and Transport Overview and Scrutiny Committee and Environment and Climate Change Overview and Scrutiny Committee. This report is the first report on progress and annual updates will be provided to the Highways and Transport Overview and Scrutiny Committee as requested.

Leicester, Leicestershire and Rutland Flood Risk Management Board

Terms of Reference

Overall Objective

To enable the upper tier local authorities to fulfil their statutory responsibilities, as defined by the Flood and Water Management Act (2010) and Flood Risk Regulations (2009), by providing a forum of officers from the relevant agencies/organisations to develop a strategic, multi-agency approach to flood risk management in all its forms.

Board Membership

The board will consist of senior officers/executives from Lead Local Flood Authorities (Leicestershire, Leicester City and Rutland), LLR Prepared, District/Borough Councils, drainage boards, water/utilities companies, network rail, canal and river trust, highways authorities, the Environment Agency and any other relevant organisation/body as appropriate. The Fire and Rescue, Police and Ambulance Services will also have representation.

Specific Aims

Whilst the Board recognises that each authority has specific responsibilities under the legislation, the Board seeks to ensure a joint approach is taken, wherever reasonable, on all aspects of flood risk management in Leicester, Leicestershire and Rutland.

The Board will exist all year round and its remit is to facilitate discussion as appropriate regarding, but will not be limited to, the following specific aspects:

- Ensuring a coordinated approach to flood risk management and planning and development.
- Identifying and reviewing learning from local and national flood incidents.
- Identifying opportunities for and working together on public awareness and expectation management regarding flooding.
- Maximising opportunities to influence partner strategies and resource allocation.
- Identifying and maximising funding opportunities.
- Identifying training requirements and desired capacity of suitably qualified, trained and/or experienced staff.
- Development of complementary Flood Risk Management Strategies.
- Sharing good practice to help understand partnership roles.
- Review/writing of the Strategic Flood Risk Assessment (SFRA)/Preliminary Flood Risk Assessment (PFRA).
- Feed into Local Resilience Forum flood planning and response arrangements.

Data and Information Sharing

Ensure that information sharing agreement in LLR Prepared is adhered to therefore enabling the optimal sharing of data on each partners' infrastructure to provide the best for the benefit of communities.

Consider opportunities for using like systems for data capture to facilitate data exchange.

Ensure information on strategic priorities and key work programmes relating to drainage and flood risk management are shared to highlight potential problems and to identify potential opportunities for partnership working to resolve issues or address other challenges.

Note: there is an Information Sharing Agreement in place across all LLR Prepared organisations to facilitate the sharing of data in preparation for, and response to emergencies.

Frequency of Meetings

Meetings will take place three times a year at the End of Winter (March), Summer (May/June) and October.

Chairing of Meetings

Meetings will initially be chaired by Leicestershire County Council.



**HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY
COMMITTEE – 20 JANUARY 2022**

MEMBERS' HIGHWAY FUND UPDATE

**REPORT OF THE
DIRECTOR OF ENVIRONMENT & TRANSPORT**

Purpose of the Report

1. The purpose of this report is to provide the Committee with the latest update on the Members Highway Fund (MHF) following the end of November deadline for Member submissions and to set out proposals for managing the 2022/23 fund.

Policy Framework and Previous Decisions

2. At its meeting on the 22 June 2021, Cabinet agreed an additional £5m highways funding to be spent in the financial year 2021/22. This included £1.4m as a Leicestershire County Council Members' fund which would allow each County Council Member a sum of £25,000 to spend on small scale highways and environmental improvements within their area.
3. Members were updated on the scheme at an All Member Briefing on 13 July and an update on progress was given at an All Member Briefing on 9 December.

Members Highway Fund Applications

4. In total 392 formal applications have been received from 51 Members and contact has been made with all 55 Members. The majority of applications have been for measures that are related to speeding, such as vehicle activated signs and village gateway treatments (over 40%), with the provision of additional street furniture, such as bollards and benches being the next most popular (over 20%).
5. Other requests include improved parking schemes, bus shelters, structural testing of lighting columns for parishes, works on Public Rights of Ways, and tree planting.
6. A number of applications are being delivered by the provision of grants to parishes and community groups as in many cases this was the most efficient way of delivering the project. For example, the purchase of vehicle activated

signs – for which LCC currently does not have a contract and the painting of railings and installation of planters, activities the department does not typically undertake.

7. Currently, 99 of the applications have been declined. The table below shows the breakdown of those that have been declined and why:

Reason for decline	%
Not permissible on the Highway / out of scope	44
BAU or Additional Maintenance Funding– delivered through revenue funding	35
Cost Prohibitive	11
Withdrawn by Member	10

8. Some requests were withdrawn by Members following advice from officers or following Parishes changing their minds. Some Members submitted several requests that exceeded their allocation once final costs were provided so were then withdrawn. The requests that were declined due to being business as usual/additional maintenance funding were instead delivered under programmes of work the department were carrying out anyway. This meant the MHF did not need to fund these requests. Such applications included highway maintenance works, school safety zones and signing and lining work. The remaining declined applications were either because they were out of scope of the fund, such as the provision of lighting on private land or the request was not permissible on the highway, for instance, repeater 30mph signs in a built up area where street lighting is present.

Member Panel

9. A Member Panel was set up to monitor the decisions and delivery of the MHF project. The Panel has met fortnightly and will continue to meet until all applications have been fully processed. The panel has been extremely beneficial in supporting officers to reach decisions on whether a request is within the scope of the fund and by providing robust challenge on specific issues that needed to be addressed, for instance where a Member questioned a decision to decline a request.
10. The panel has cross party membership and is chaired by the Cabinet Lead Member for Highways Mr. O. O'Shea CC. The other Panel members are: Dr. R. K. A. Feltham CC, Mr. K. Merrie CC, Mrs A. Hack CC and Mr S. Bray CC.

Communication

11. Bulletins containing relevant updates on the process and guidance for Members continue to be sent out on an ad-hoc basis.
12. Members also receive regular summaries updating them on the status of their requests and informing them of their latest provisional balance. The next

monthly update will be sent in January and will provide a full status update on finalised requests.

2021/22 Programme Delivery Challenges and Proposals for 2022/23 MHF Programme

13. The Members Highway Fund was an entirely new initiative for the council and as such its implementation has highlighted several areas for improvement. Perhaps the most significant challenge in implementing the scheme has been that while funding was provided for additional resource, the current recruitment market is very difficult. This meant it was not possible to recruit to the posts that were identified as being necessary to resource the programme.
14. The use of agency workers was investigated where practical, however, these have provided a limited return on investment. The outcome of this is that other projects such as the Community Speed Management Initiative have not been delivered as planned as we have had to divert officers from those areas of core work to assist with MHF delivery. Overall, however we have still had a shortfall of five posts required to resource the process.
15. The process of recruitment is currently underway for the delivery of the 2022/23 fund, however, given market conditions it is likely this will be challenging.
16. Based on experience this year, to streamline the process for Members and in view of the resourcing challenges we face, a revised proposal for how the 2022/23 fund will be delivered has been developed. This proposal seeks to reduce the resource requirement and provide greater clarity for Members on what can be delivered under the fund.
17. This clarity would be achieved by offering Members a “menu” of options from which to choose for their spend. This would comprise:
 - a) the purchase of MVAS & VAS – all consultation and engagement would now be carried out by officers with units provided through an LCC contract, includes licensing costs;
 - b) paying for a year’s support for moving MVAS – where the community cannot move MVAS units themselves, this can be provided by LCC for the year;
 - c) paying for structural testing on lamps/columns via LCC contract (a request that is made frequently);
 - d) the ability to allocate a proportion of fund to enhanced maintenance works, where Members can suggest preference for location of spend - £5000 minimum spend on one or a mix of the following:
 - Signing Refresh/Cleaning,
 - Lining Refresh,
 - Public Rights of Way,
 - Vegetation works,

- Edging back.
 - e) a single location scheme, that is subject to an initial discussion with officers, to ensure suitability prior to design work taking place.
18. This menu-based option should reduce the level of Member and officer time, and therefore the amount of abortive time due to projects not progressing and also give greater parity of support. Experience has shown that some Members are currently receiving more intensive support than others.
19. The proposal also allows for the fact that there will not be additional monies made available for refreshing of signing and lining on the roads as there was this year, which addressed numerous requests from Members.

Resource Implications

20. The majority of projects in the current year are still moving through the process towards delivery due to officer capacity and Members requiring additional information prior to final decisions being made. This means final costs have not yet been captured.
21. It is anticipated the fund will be at least 90% committed by the end of the financial year. Several schemes, however, will not be delivered until the next financial year. Confirmation has been received that:
- a) if a Member has not allocated all their funding, they will be able to carry forward the balance to the next financial year;
 - b) any delay, due to projects not being delivered this financial year, will need to be funded from this carry forward.
22. The Director of Corporate Resources and the Director of Law and Governance were consulted on the content of the report.

Timetable for Decisions

23. The timeline for the implementation of the programme for 2022/23 would be as follows:
- a) February - provide Members with detailed proposals for 2022/23 fund;
 - b) Online applications to be made available early in the new financial year;
 - c) Member surgeries to be held during May – a short meeting with each Member for initial discussions on how they might want to spend their fund;
 - d) Applications to be submitted by 27 May 2022;
 - e) Further meetings on non-standard requests e.g. single location, non-standard projects to be held in June;
 - f) Programming and delivery of requests to commence July 2022.

Conclusions

24. Members are asked to note the content the progress of the Members Highway Fund for 2021/22 and to consider proposals for the Fund for 2022/23.

Background papers

Report to the Cabinet 22 June 2021 Members Highway Fund – Proposals
<http://politics.leics.gov.uk/documents/s161909/Highway%20Fund.pdf>

Circulation under the Local Issues Alert Procedure

This report will be circulated to all Members of the County Council.

Equality and Human Rights Implications

25. There are no equality or human rights implications arising from the report.
26. An Equality and Human Rights Impact Assessment is not required as the fund operates within the scope of existing discretionary services which are already provided.
27. The opportunity to access these discretionary services will be countywide regardless of local governance arrangements or other factors such as local demographics.

Other Relevant Impact Assessments

None.

Officer to Contact

Ann Carruthers
Director, Environment and Transport
Tel: (0116) 305 7000
Email: Ann.Carruthers@leics.gov.uk

Janna Walker
Acting Assistant Director, Development and Growth
Tel: (0116) 305 0785
Email: Janna.Walker@leics.gov.uk

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