



ENVIRONMENT AND TRANSPORT OVERVIEW AND SCRUTINY COMMITTEE
19 JANUARY 2017

MEDIUM TERM FINANCIAL STRATEGY 2017/18 TO 2020/21

MINUTE EXTRACT

The Committee considered a joint report of the Director of Environment and Transport and Director of Corporate Resources which provided information on the proposed 2017/18 to 2020/21 Medium Term Financial Strategy (MTFS) as it related to the Environment and Transport Department. A copy of the report marked 'Agenda Item '8' is filed with these minutes.

The Chairman welcomed Mr. P. C. Osborne CC, Cabinet Lead Member for Highways and Transport and Mr. B. L. Pain CC, Cabinet Lead Member for Waste Management and Recycling to the meeting for this item.

In introducing the report the Director and Cabinet Lead Members advised members of the financial challenges facing the Council and the significant change that had taken place across the Department to enable it to achieve £2.5 million of staff savings. This had enabled a shift in service delivery to a commissioning model with some in-house services still provided, where it was appropriate and cost efficient to do so. It was felt that, whilst it had been a difficult process to achieve such significant savings, the Department was now well placed to cope with the financial challenges in future years.

In response to questions and comments the Committee was advised as follows:-

Service Transformation

- A view was expressed that, whilst the work of officers to maintain services and deliver them more efficiently was appreciated, it would be necessary for members to be consulted on any plans that would lead to a reduction in service;

Proposed Revenue Budget and Budget Transfers

- The Waste Management revenue budget included provision for 1 % growth in household waste per annum, largely to cover estimated future housing growth;

Growth**G11 – SEN Transport**

- A large portion of the revenue budget related to demand-led services such as SEN transport, where the Council was required on a statutory basis to deliver services. It was noted that the SEN transport budget, which represented 7.9% of the Department's budget in 2010/11 but now stood at 16% and this reflected the rising demand which the Department was having to withstand;
- A detailed review of SEN transport would be conducted in the coming months. The Cabinet Lead Member stressed that it was and would remain a policy of the Council's Cabinet to safeguard those services accessed by the most vulnerable;

G13 – Landfill Tax

- A view was expressed that the rise in landfill tax placed an unfair burden on local authorities and it therefore required review on the part of the Government. The Cabinet Lead Member agreed and stated that it was hoped that Defra's pending 25 year plan would address this issue and encourage the Government to rethink the landfill tax;

Savings – Highways and Transport**ET1 – Street Lighting**

- The work of the Department to implement LED street lighting was commended as both a welcome cost saving and an improvement to night time lighting;

ET8 – Review of Road Safety Strategy and Provision

- This saving would be achieved through a re-focusing of activity around core campaigns to reduce incidents though it was acknowledged that there would be a reduction in the provision of road safety education. Any surpluses acquired from the running of driver education workshops would be used to fund school crossing patrol services;

ET11 – Public Bus Services

- Council subsidised bus services would be reviewed. It was drawn to the attention of members that this would affect 0.7 million of a total number of 13.7 million bus journeys (12.7 million commercial journeys and 0.3 million park and ride journeys would be unaffected by these proposals);
- Park and Ride services remained a key strategy in reducing road traffic. However, there were as yet no proposals for further Park and Ride schemes in the County;

(Mr. D. C. Bill CC and Mr. G. A. Boulter CC each requested that it be recorded in the minutes that they opposed the removal/reduction of Council subsidised bus services)

ET12 – County-wide Parking Strategy including Residents’ Parking Permits and Consideration of on-street Parking Charging

- Concerns were raised that the £650,000 saving would prove difficult to achieve as a result of a lack of areas where on-street parking charging would be appropriate or effective. It was suggested that the measure could also have a negative effect on traders. The Director assured members that any policy in this regard would be publicly consulted on and taken through the Overview and Scrutiny process prior to any approval at Cabinet level. The Director accepted that, whilst any policy in this regard was likely to be controversial, the Council was required to do all that it could to address the £23.9 million budget shortfall;
- Concern was expressed that, were the Council unable to achieve a portion of this saving through on-street parking charging then it would be possible that it could seek to increase further the charge for residents’ parking permits. In response, the Director indicated that there were no plans to increase the cost of residents’ parking permits on an annualised basis though they would rise in order to meet inflation and ensure full cost recovery;
- In response to a suggestion that parking charging could be implemented at County Hall for Council staff as a means of reducing the saving required via resident parking charges, the Director indicated that this was a matter for the Director of Corporate Resources;

(Mr. D. C. Bill CC and Mr. G. A. Boulter CC each requested that it be recorded in the minutes that they opposed the ET12 saving measure)

Savings – Environment and Waste

ET13 – Revised Payment Mechanism on Recycling Credits and ET17 – Revised Payment Mechanism for Recycling Credits for Dry Materials

- The withdrawal of recycling credits would achieve £3.4 million of savings, though the effect of the County Council then tendering for its own recycling contract(s) would ultimately mean achieving a saving of around £1.4 million in 2020/21. The precise phasing of this saving would be dependent on District Councils’ current contractual arrangements for recycling, and when they terminate, which is why the savings increase over the course of the MTFs. The actual saving that would be achieved would be dependent on the contract that was ultimately awarded. It was noted that increased clarity would be provided on this issue in the next MTFs when more details would be known about the contract;
- It was noted that there had been no negative impact from the withdrawal of recycling credits for green waste recycling and there was no obvious evidence of a rise in the levels of green waste being sent to landfill. Home composting

would continue to be publicised and promoted by the Council's Waste Prevention Team to encourage recycling of green waste at home;

(Mr. D. C. Bill CC and Mr. G. A. Boulter CC each requested that it be recorded in the minutes that they opposed the ET17 saving measure)

Capital Programme

- The £83 Million Capital Programme was expected to rise substantially as a result of additional government grants in areas such as infrastructure and housing delivery (it was noted that an additional £2.7 million allocation from the National Productivity Investment Fund had recently been confirmed);
- Reference was made to the £360 million of pipeline projects which the Council had identified and for which it was hoped that further funding could be accessed;
- The Council remained hopeful of achieving Level 3 (by 2018/19) on the assessment scale the Government uses to assess authorities' approach to asset management which in turn determined the amount of Incentive Fund money the Authority received (paragraph 27(b) of the report refers). The Capital Programme assumed the Council would remain at level 2, in order that additional funding would be available should it reach Level 3. It was advised that those authorities that had been successful in achieving devolved powers from the Government would automatically qualify for Level 3 and thereby access the increased funds.

RESOLVED:

- (a) That the report and information now provided be noted;
- (b) That a list of Council subsidised bus routes be provided to members following the meeting;
- (c) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 25 January 2017.