



ENVIRONMENT AND TRANSPORT OVERVIEW AND SCRUTINY COMMITTEE
18 JANUARY 2018

MEDIUM TERM FINANCIAL STRATEGY 2018/19 TO 2021/22

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 2018/19 to 2021/22 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. B. L. Pain CC, Cabinet Lead Member for Highways, Strategic Transport and Waste, Mr Rhodes CC, the Cabinet Lead Member for Resources and Mrs Radford CC, the Cabinet Support Member to the meeting for this item. Mr Rhodes and Mrs Radford were attending in place of Mrs Posnett CC who unfortunately was unable to attend.

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 total savings of £43million since 2010/11. The report now outlined how the Department intended to meet the additional required savings of £7.1million by 2022.

Members of the Committee noted the significant savings achieved to date and commended the Director and her team. Members however noted that the savings going forward would be more challenging and now includes reconsideration of savings proposals previously not taken forward as they were deemed difficult.

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

Proposed Revenue Budget and Budget Transfers and Service Transformation

- i) The Department would continue to explore opportunities for generating income but there were some legal limitations regarding local authority operations on how far this could be pursued.

Growth**G16 – SEN Transport**

- ii) This growth was essentially to meet the increasingly complex needs now being presented by some service users.

G18 – Recycling and Reuse Credits

- iii) Currently all District Councils received recycling and reuse credits. From the start of the new financial year four of the seven district councils would no longer receive these credits and the remaining three would stop receiving credits when their current contractual agreements came to an end during the year.

G19 – Waste Tonnage Increase

- iv) No growth had been included for 2018/19 given the low level of increase in waste tonnage experienced in the current year. However, growth of 1% per year was assumed for subsequent years.

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

- v) The work of the Department to implement LED street lighting was commended as both a welcome cost saving and as a contribution to environmental improvement.

ET4 – Revised Passenger Transport

- vi) This saving was taken out at the budget meeting in 2017/18 when the Council was advised that further work would be undertaken into the cost effectiveness of the Council's policy on Subsidised Transport. It was therefore shown as a new saving.
- vii) The review of the existing policy would seek to define clearly what was meant by 'essential need' and how the Council would ensure value for money. The Cabinet on 9th March would be asked to give approval to consultation on a revised strategy.

ET5 – Social Care and SEN Transport

- viii) The proposed saving was in part contingent upon the Cabinet considering the outcome of the consultation recently undertaken and determining whether it wished to proceed. The proposed savings were at the mid-point range of the options consulted upon so the Cabinet would have discretion and be able to reflect the consultation responses in any final decision.

ET 6 – Review of staff absence

- ix) The Department had already put in significant measures to reduce both long and short term sickness and the savings now proposed were in addition to that work. Each Department would have a target to reduce sickness absence.

ET 10 – Countywide Parking Strategy

- x) It was not possible to provide a list of streets where on-street parking charges would be introduced. The full business case was still being developed and, if thought deliverable, would be brought to the Cabinet for approval to consult. If, following consultation, the Cabinet determined that it wished to progress with on-street parking charges, a draft implementation plan would be drawn up at which point individual streets would be identified. The draft implementation plan would be subject to consultation.
- xi) In developing the plan and strategy consideration would also be given to how on-street parking charges would operate in residents only parking areas.

(Mr. D. C. Bill CC and Mr. G. A. Boulter CC each requested that it be recorded that they opposed the removal/reduction of Council subsidised bus services, (ET4), the reduction in social care and SEN transport (ET 5) and introduction of on-street parking charges (ET 10)'

Savings – Environment and WasteET13 – Recycling and Household Waste Sites

- xii) Studies in other parts of the country had not shown a direct correlation between charging for some types of non-household waste and an increase in fly tipping. This appeared to be borne out by the work recently undertaken with Hinckley and Bosworth Borough Council on the issue of fly tipping. A significant proportion of material found was not construction and demolition waste and included waste which residents were able to dispose of free of charge. The position regarding fly tipping was being monitored by the County, City and District Councils.
- xiii) It was noted that there were suggestions that the Government might introduce regulations preventing Councils charging for construction and demolition waste. The County Council has contributed to the discussions on this matter and would welcome the publication of the Government's Waste and Resources Strategy later in 2018 to enable longer term planning of waste disposal and treatment.

ET19 – Future Residual Waste

- xiv) The agreement with Coventry and Solihull Waste Disposal Partnership would result in reduced gate fees. The County Council would have limited liability in the event of any losses by the Partnership.

Savings under Development

Paragraph 21 (i) - Future Residual Waste Strategy

- xv) The recent announcement by China relating to plastics and paper and announcements by various companies to reduce the use of plastics would be considered in developing the future strategy.
- xvi) The contractor who would be dealing with the Council's recyclables had advised that none of their plastic or paper waste currently goes to China so there would not be an immediate impact. Work was also underway with collection authorities to reduce contamination in the waste stream. However it was likely that costs of disposals would increase in the coming years.

Paragraph 21 (i) RHWS Future Service Offer

- xvii) The comments made by a number of members against a further reduction in the number of household waste sites were noted.

Other Funding Sources

- xviii) There was a high degree of confidence that the external sources of income which amounted to approximately 40% of the budget could be achieved.

Capital Programme

- xix) The LTP grants set out in the first two rows of Table 4 were indicative allocations which had yet to be confirmed by the Department for Transport.
- xx) The LTP Maintenance Incentive Grant (Row 3 of Table 4) was dependent on the Council achieving Level 3. The Council was confident of achieving this level. The financial implications of not achieving Level 3 were set out in Table 5.
- xxi) The Capital Programme showed a lower level of resources available in the latter two years but it was likely that there would be opportunities to bid for funding from the sources listed in paragraph 34 as well as any new Government funding scheme.
- xxii) The Melton Mowbray Distributor Road was not included in the current capital programme as the funding had yet to be agreed. It was hoped that a decision would be made by the summer.
- xxiii) The Council had made representations to the Government regarding the retention of income from speed cameras and was awaiting a response. Members were assured that the installation of cameras was to improve and

deal with community safety concerns and the fines received covered the operational costs.

- xxiv) The £12.8m Capital Substitution referred to the use of capital resources to support maintenance schemes which would have been met from the revenue budget.

RESOLVED:

- (a) That the report and information now provided be noted;
- (b) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 24 January 2018.

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