

**ENVIRONMENT AND TRANSPORT OVERVIEW AND  
SCRUTINY COMMITTEE - 14 JANUARY 2021**

**MEDIUM TERM FINANCIAL STRATEGY 2021/22 – 2024/25**

**MINUTE EXTRACT**

The Committee considered a joint report of the Director of Environment and Transport and the Director of Corporate Resources which provided information on the proposed 2021/22 to 2024/25 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 the Deputy Leader, Mr B Pain CC, the Cabinet Lead Member for Resources, Mr J B Rhodes CC, the Cabinet Lead Member for Highways, Transport and Waste Mr T Pendleton CC and the Cabinet Support Member Mr O O'Shea CC to the meeting for this item.

In introducing the report, the Director of Environment and Transport advised members of the continuing financial challenges facing the Council and that further savings were required to address future challenges, notably Special Educational Needs and Disabilities (SEND) transport and continued waste tonnage increases.

Arising from the discussion the following points were noted:

**Growth**

- i. **G13 - SEN Transport** – Growth reflected the increased client numbers and costs arising from increasingly complex needs presented by some service users. Figures forecast expected 10% growth in the service (as per data provided by the Children and Families Department). as well as a 3% increase in transport costs. The Department continued to look at how growth may be contained over the duration of the MTFS and were aware that colleagues nationally were raising concerns about the overall cost of SEN provision and transport with Government.
- ii. Data on previous growth in pupils identified with SEN and predicted growth would be circulated to Members. A briefing would further be organised to help Members understand the process of preparing Education, Health and Care plans for those children with SEN needs.
- iii. **G14 – Developing External Funding Bids** – The report presented the removal of the one-off growth for temporary capacity to support the development of external funding bids in 2020/21. Members were advised the Department would continue to have some capacity to prepare bids for funding and was covered elsewhere in the budget. However, it was

recognised that there was a wider conversation that needed to be had with Government regarding efficiency of the bidding process for authorities and the resource that it required.

- iv. **G15 - Highways Maintenance** – Funding for highway maintenance from the Department for Transport had effectively been reduced by £10million a year over the last decade. The County Council invested an additional £3.7million funding in the previous year in recognition of the importance of this service and underfunding it faced. As a result of Covid-19 Government had amalgamated a number of funding streams, some of which would previously have been part of a competitive bidding process, and allocated £9.5million to the County Council to be spent by the end of the current financial year. While the Authority welcomed the funding, assurance for long term funding was needed for the Authority to plan most effectively and achieve the best value for money.
- v. There was a concern that due to Government's continual underfunding of Council services residents were seeing a decline in the most visible services to them such as highway maintenance. This was despite increasing council tax that was required to support the financial pressures on the Council.
- vi. Members noted that in previous years the Department had reduced full width grass cuts from six to five following an earlier budget consultation where residents had rated it as a lower priority. However, the reduction had resulted in heavy backlash, thus the six cuts were reinstated, which was welcomed by Members. Members noted that twelve parish councils had signed up to the Wildflower Verge Scheme, it was recognised that the Council still needed to manage such verges to ensure that weeds did not dominate, allowing wildflowers to thrive and encourage pollinators. It was pleasing that communities support and appreciated the environmental commitment from the Authority.
- vii. The Department had to prioritise speeding measures such as the community speed enforcement initiative. There were over 150 sites of resident's concern, unfortunately there was only funding for an additional seven average speed camera sites, though sites would be moved over time and as appropriate.
- viii. **G16 – Waste Tonnage** – The Department typically assumes underlying growth of 1% per annum to accommodate new housing being built in the county. However for 2021/22 3.2% was required to address the rise in household waste during the pandemic, noting that the New Year had seen the highest ever level of tonnage through the Recycling and Household Waste Sites for a week in January and that the level of recyclates was also at its highest point in part due to increasing online shopping.

## Savings

- ix. **ET1 – Revised Passenger Transport Policy** – Due to Covid-19 the Policy had been paused. There was a concern that the impact of the pandemic would destabilise operators and require them to withdraw further services, while the Council would need to continue to ensure residents could access key amenities.
- x. **ET2 – Review of Social Care and SEN Transport** – Members noted that there remained a delay in the delivery of savings from the post-16 SEN transport proposals due to the judicial review and legal proceedings. The Court had found the Authority legally compliant and the Council hoped to implement the proposal from September 2021, dependent on the outcome of the remaining appeal.

## Savings under Development/External Influences and Other Factors Influencing MTFs Delivery

- xi. The Director assured Members that the Department had undertaken an initial review to manage the level of SEN transport growth and were working with Newton Europe to look at efficiency, journey optimisation and challenge the occupancy of vehicles. Part of the work involved looking at bringing the most expensive SEN journeys in-house to manage the costs associated.
- xii. There was a concern that Government's proposal to remove the fuel duty discount for red diesel from April 2022 would have a substantial financial effect on costs given a proportion of the Council fleet, such as gritting vehicles and other work vehicles, run on this fuel.

## Capital Programme

- xiii. The Department would continue to use funding for Integrated Transport Schemes (an assumed £2.73million each year from 2021/22 to 2024/25) to match fund grant bids such as into the Single Local Growth Fund and National Productivity Investment Fund, as well as fund advanced design and feasibility studies. Such match funding allowed the Department to gain leverage from other funding streams that Government offer to enable access to greater funding for bigger improvements on the network. Members were assured that maintenance was considered separately as part of other funding streams.
- xiv. Early estimates of the Melton Mowbray Distributor Road led to £49.5million being secured through Government's Large Local Majors funding pot, while the County Council would forward fund £14million. Such forward funding would be claimed back through developer contributions.
- xv. Officers would provide further detail regarding the Windrow Composting facility on timing and proposed savings it would offer.

Members thanked officers for producing a budget during such challenging times.

In closing the debate Mr Pendleton advised the Committee that the Department would continue to look to support communities, such as with the community speed enforcement initiatives, despite the pressure to make further savings. It was evident that more needed to be done about innovative thinking regarding the pressures on SEND transport and that work would continue with colleagues in Children's and Families.

**RESOLVED:**

- a. That the report and information now provided be noted;
- b. That further information be circulated to members on past growth in numbers and cost, and future forecast demand for SEN transport and that a briefing be set up with Children and Families on the ECHP process;
- c. That the comments now made be forwarded to the Scrutiny Commission at its meeting on 25 January 2021.