

**ENVIRONMENT AND CLIMATE CHANGE OVERVIEW AND SCRUTINY
COMMITTEE – 24 JANUARY 2024**

MEDIUM TERM FINANCIAL STRATEGY 2024/25-2027/28

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 2024/25 to 2027/28 Medium Term Financial Strategy (MTFS) as it related to the Environment and Waste Management Services within the Council's Environment and Transport Department. The report also sought the Committee's views on proposals to recommend to the Cabinet that the Council's net zero target dates be revised from 2030 to 2035 for the Council's own emissions, and from 2045 to 2050 for the County's emissions, in light of the Council's wider financial position. 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 the Environment and the Green Agenda and Mr. N. J. Rushton CC, Leader of the Council to the meeting for this and other items.

In presenting the report, the Director explained that the environment aspects of the MTFS related to the Environment and Transport Department only and not the wider environmental activity across the Council.

Arising from discussion, the following points were raised:

Revenue Budget

- i. The premium paid as part of the package to recruit and retain HGV drivers had helped the Council to be more competitive in the marketplace, although it could not compete with the attractive offers made by the bigger private sector operators in the area. Staffing overall was near full complement with the use of the premia and agency staff, but in such a competitive market, it was a challenge. Overall, the service was coping from a driver perspective by paying the premium and by using agency staff. However, there was a shortage of managers and frontline staff. Overall, 20% of vacancies were currently filled by agency staff. The Department preferred to keep the level of agency staff to 10%. Other amendments had been made to the recruitment package, such as changing contractual hours to a four day on/four day off contract, which reflected what was offered in the wider marketplace and enabled the Council to compete.
- ii. Regarding the free disposal of DIY waste following the change in legislation from 1 January 2024, Members expressed concern about the volume that households could now potentially deposit at RHWS which would increase the Council's costs and were informed that households were restricted to four visits in a four-week period.

Growth

- iii. Pre-existing arrangements were in place to manage the disposal of asbestos at certain Council Recycling and Household Waste Sites (RHWS), and details were available on the Council's website for the public to follow. This was not charged for at the same rates but had been included in the new process now in place linked to the legislation for the disposal of DIY waste. All items known to include asbestos, including artex, were covered within these arrangements with a need to have a permit for removal and disposal for health and safety reasons.

Savings/Savings under Development

- iv. The income from the sale of items from the RHWS for reuse was included under ET9 'service approach', which was a broad description in the budget and included savings linked to reuse of items. The Director agreed to amend the descriptor for clarity.
- v. Members expressed concern that income from the disposal of trade waste could be reduced if traders used the new legislation for the disposal of DIY at RHWS to dispose of their waste. The Director assured members that trade waste services were only available at Whetstone Transfer Station and that it had a unique trade point in the market. The RHWS across the county did not accept trade waste at any of the sites. RHWS staff monitored people disposing of waste, so could identify traders using the wrong facilities. Additionally, Automatic Number Plate Recognition (ANPR) was used to provide vehicle count data and monitor service usage levels. A report would be presented to the Committee in March on the removal of charges for DIY waste and related work.

Other Factors Influencing MTFs Delivery/Other Funding Sources

- vi. A member expressed concern that the report proposed an extension to the net zero target dates by five years and stated that achieving the original target dates should be the Council's top priority. Other members added that, whilst they understood the concerns expressed, they recognised the importance of making savings to balance service delivery and the needs of residents within the resource envelope available to the Council.
- vii. Mr. B. L. Pain CC, Cabinet Lead Member for the Environment and the Green Agenda, highlighted the many achievements made to date in working towards the Council's net zero targets, He added, however, that despite these many achievements, it was recognised that the Council was off track in achieving the net zero targets overall. In light of the financial challenge facing the Council there was a need to extend the Council's targets to be in line with national targets. Mr. N. J. Rushton CC highlighted that the Council had achieved a great deal in working towards the Council's net zero targets. However, with a growth bid in this area of £475,000, which was not possible to meet, the targets needed to be revised. He added that, if the growth bid was met, then the money would need to be identified from another budget

within the Council which would then be reduced. The Director of Corporate Resources clarified that the £475,000 related to the cost of the team working on the environmental agenda and not the cost to the Council of conversion to net zero, which could not be costed but was way beyond the Council's means and could not be met without Government legislation and funding.

- viii. Members were assured that a report on the reprioritisation of activity under the net zero targets would be brought back to the Committee, before being presented to the Cabinet and Council.
- ix. The Emissions Trading Scheme was a form of taxation on the energy from waste (EFW) sector, following on from the Government's successful use of landfill taxes to reduce the amount of waste sent to landfill. More detail was expected from the Government, but it was likely that the increased taxation would be passed on from the EFW treatment facilities to the County Council via an increase in the gate fee, which is a fee charged by the treatment facilities to accept waste from waste disposal authorities.
- x. The Committee commended staff for the range of activity being undertaken with waste recycling.

Capital Programme

- xi. Regarding the expenditure detailed in paragraph 35 table 3 for lighting, this related to the improvements to the lighting provision within RHWS and not payment for lighting/electricity use which was funded out of the revenue budget.
- xii. A Member expressed concern about the increase in traffic and the need for improvements to the road and entrance to the Kibworth RHWS should the proposal to close the Market Harborough RHWS be approved. The Director assured members that a traffic assessment had been completed for all RHWS as part of consideration of the proposals. This showed that the entrance to the Kibworth site could cope with the additional traffic flow and that there were no additional measures needed.

RESOLVED:

- a) That the report regarding the Medium Term Financial Strategy 2024/25 – 2027/28 (MTFS) and information now provided be noted;
- b) That the comments now made regarding the MTFS, including proposals to revise the Council's net zero target dates, be forwarded to the Scrutiny Commission for consideration at its meeting on 29 January 2024.

This page is intentionally left blank