

**ENVIRONMENT AND TRANSPORT OVERVIEW AND SCRUTINY
COMMITTEE – 23 JANUARY 2013**

MEDIUM TERM FINANCIAL STRATEGY 2014/15 TO 2017/18

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 2014/15 to 2017/18 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, Mr B L Pain CC, Cabinet Lead Member for Waste Management, and Mrs P Posnett CC, Cabinet Lead Member for Environmental Matters to the meeting for the item.

Arising from discussion the following points were raised:-

General

- (i) The Director of Environment and Transport and Cabinet Lead Members advised the Committee that the Department's budget over the next four years reduced from £84 million to £65.5 million. In seeking to address this, the Department had looked carefully at its operation with the view to generating efficiency savings, thereby reducing the impact on services. Given the scale of the savings required, £18.5 million over four years, this had only been possible to a limited extent. Nevertheless, of the total savings required in the Highways and Transportation budget, 31% was being met through efficiency savings, and in Waste Management that figure was 84%;
- (ii) In response to a question the Director advised the Committee that there were no proposals to reduce the number of highway forum meetings as these were a useful means of engaging with local district and parish councils and local communities. However, the operation of these forums, as with all other areas of activity, would be kept under review;

Growth

- (iii) Item G 14 – Special Educational Needs (SEN) transport client numbers and costs – The Committee was advised that the increase in cost was largely attributable to young people with more complex and challenging needs rather than increase in the number of service users. It was also reported that the

market for SEN transport was not as competitive as in other areas which made it more difficult to realise efficiency savings;

- (iv) Item G 15 – Removal of time-limited growth for advance design funding for highways schemes – The impact of this would be a reduction in the number of large schemes being designed. Members were advised that the Capital Programme amounted to approximately £84 million over the next four years and, therefore, there would still be a need for a team of staff to undertake design work to deliver that Programme. The Director indicated that he would supply details of the number of design staff employed by the Department to members of the Committee and the Scrutiny Commission;

(Note: This information is not yet available and will be provided separately)

- (v) Item G 16 – Landfill Tax – The Committee was advised that the landfill tax was a means by which the Government sought to incentivise diversion from landfill to other forms of treatment. The Local Government Association had made representations to the Government regarding the impact of the proposed increase in landfill tax on local authority budgets. The County Council would continue to work with district councils to increase recycling and reduce the amount of residual waste sent to landfill sites;

Savings – Highways and Transport

- (vi) Item S44 – Service Review – Notice Processing Unit – In response to a question the Committee was advised that the savings had been generated through restructuring of the Notice Processing Unit. No change was proposed in relation to staff employed in enforcement work;
- (vii) Item S45 – Revised approach to Highways Maintenance – The Committee was reminded that it had considered this matter at its previous meeting. In essence the proposals envisaged identifying and purchasing the most cost effective solution. The proposals would have no adverse impact on response times, indeed, where the new arrangements had been introduced response times had improved;
- (viii) Item S46 – Street lighting –
- The saving of £245,000 in 2014/15 would be delivered as part of the previously agreed programme of part night lighting. A whole systems review of street lighting would be undertaken over the coming months and detailed proposals for achieving the additional £1 million savings would be submitted to members for their consideration;
 - Members of the Committee welcomed the proposals to switch over to LED illumination;
 - With regard to concerns in relation to part night lighting and switching off, the Director stated that where the Police had raised concerns about increased crime levels, street lighting had been temporarily reinstated.

This had only occurred on two occasions and the evidence to date indicated that there had been no increase in actual crime.

(ix) Item S48 – Revised approach to Highways Maintenance –

- The Committee was advised that as a result of the revised approach the County Council would seek to maintain the condition of its current highway network and that there would be a reduction in improvements and additions to the network;
- In response to a concern about using capital for revenue schemes the Director advised that the intention was to use LTP capital grants and not capital borrowing, and, as such, there would be no on-going revenue consequences. The Committee was further advised that the Department had been successful in obtaining external resources in the form of Government grant and developer funding and other opportunities to supplement the Capital Programme;
- With regard to the preparation of the Single Economic Plan, the Committee was advised that this was now the responsibility of the Leicester and Leicestershire Economic Partnership (LLEP). Details of the Single Economic Plan would be reported to the Scrutiny Commission in March/April;

(x) Item S49 – Environmental Maintenance Reductions – In response to questions, the Committee was advised that the requirement under Section 96 of the Highways Act 1980 was to ensure that any highway grass was “not a nuisance or injurious to the owner or occupier of premises adjacent to the highway.” The local highway authority would need to determine for itself how it meets the requirements of the Highways Act 1980 and there was no set standard. Currently, the County Council undertook up to nine cuts a year in urban areas and two cuts a year in rural areas. Additional cuts were carried out as necessary on visible splays;

(xi) Item S50 – Road Safety Partnership Funding – The Director advised the Committee that the County Council would be withdrawing its contribution from the Partnership but would continue to work with the Partnership to ensure it developed a robust business model based on its main income stream, driver education workshops, and become less reliant on grants. The initial work undertaken with the Partnership indicated that such an approach would still enable the Partnership to continue with a large portion of its current activities. By way of example, the Director pointed out that the Partnership planned to invest £1 million in a fixed camera renewal programme and the purchase of an additional mobile camera unit. He went on to advise that it was likely that the Road Safety Partnership would wish to continue to work with local communities on road safety initiatives including Speed Watch;

(xii) Item S51 – Review of SEN Transport Policy – The Committee was advised that savings had accrued as a result of a change of entitlement. Had the policy not

changed, the growth that would be required for SEN Transport (Item G14 refers) would have been significantly higher;

(xiii) Item S52 – Review of supported bus network including alternative provision –

- The Committee was advised that the proposals put forward by the Scrutiny Review Panel on the County Council's 95% Bus Coverage Policy had been the subject of detailed consultation. The Scrutiny Panel would now be asked to consider consultation responses and make recommendations on the future of the supported bus network.
- With regard to the representations made by Hose and Harby Parish Council, a copy of which is filed with these minutes, the Director indicated that the concerns raised would be taken into account in a future report to this Committee when the consultation findings were reported on. He pointed out that the comments on usage made by the Parish Council related specifically to Service 24, whereas the consultation document referred to usage across Services 23, 24 and 25;

Savings - Waste Management/Environment

- (i) Item S58 – Efficiencies from contract procurement/renewal - The Committee was advised that, whilst some savings had already been achieved from renegotiation of some contracts, further savings were dependent upon procurement processes which were currently in progress or due to start shortly;
- (ii) Item S59 – Revised payment mechanism on recycling credits –
- The Committee was advised that the current expenditure on recycling credits was £5.4million. This would rise to £6.2 million by 2017/18. The County Council was aiming to work with the seven District Councils to reduce expenditure in this area. It was noted that some District Councils were charging for collecting green waste and were also receiving recycling credits from the County Council;
 - The advice received from the County Council's legal service team was that the proposals were in line with the requirements of the Environment Protection Act. The Committee was advised that should it not be possible to reach agreement with the District Councils a recommendation would be made to members regarding the proposed reduction in recycling credits and at that point members would be advised in detail of the legal position;
- (iii) Item S61 – Trade Waste income - Members suggested that at some point consideration should be given to receiving trade waste from small businesses at the Loughborough and Coalville transfer stations to generate income;
- (iv) Item S64 – Review of Recycling and Household Waste Site (RHWS) provision - Concern was expressed that further reductions in opening hours of Recycling and Household Waste sites might lead to an increase in fly tipping;

Capital Programme

- (v) The Committee was advised that the Capital Programme did not include potential road schemes which might be put forward by the Leicester and Leicestershire Economic Partnership. The Department would also continue to explore opportunities for government grants and external funding to supplement the Capital Programme.

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 29 January 2014.

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