



## AGENDA

### ENVIRONMENT AND REGENERATION POLICY OVERVIEW COMMITTEE

**Tuesday, 20 November 2007 at 10.00 am**  
**Medway Room, Sessions House, County**  
**Hall, Maidstone**

Ask for: **Christine Singh**  
Telephone **01622 694334**

*Tea/Coffee will be available before the meeting*

#### **Membership (15)**

- Conservative (10): Mr R A Pascoe (Chairman), Mr M J Angell, Ms S J Carey,  
Mr M J Harrison, Mr C Hibberd, Mr R L H Long, TD,  
Mr R F Manning, Mr R A Marsh, Mr M V Snelling and  
Mrs P A V Stockell
- Labour (4): Mr R Truelove (Vice-Chairman), Mr T J Birkett, Mr R J E Parker and  
Mr A R Poole
- Liberal Democrat (1): Mr D S Daley

#### **UNRESTRICTED ITEMS**

*(During these items the meeting is likely to be open to the public)*

#### **A. COMMITTEE BUSINESS**

- A1 Substitutes
- A2 Declarations of Interests by Members in items on the Agenda for  
this meeting
- A3 Minutes of the meeting held on 3 July 2007 and 27 September 2007  
(Pages 1 - 12)
- A4 To note that future meetings of this Committee in 2008 will be held  
at 10.00 am:- Thursday, 31 January, Friday, 4 April, Thursday, 29  
May, Thursday, 25 September Thursday, 6 November

#### **B. ITEMS FOR DISCUSSION**

- B1 Financial Monitoring Report - 2007/08 - Update (Pages 13 - 24)
- B2 Medium Term Plan 2008-09 to 2010-11 (Pages 25 - 36)
- B3 Kent Regeneration Fund Progress Update (Pages 37 - 42)
- B4 Bus Transport Policy (Pages 43 - 48)

#### **C. SELECT COMMITTEE UPDATE**

C1 Select Committee Update (Pages 49 - 50)

C2 Post Office Closures IMG – Oral Update (Pages 51 - 52)

**EXEMPT ITEMS**

*(At the time of preparing the agenda there were no exempt items. During any such items which may arise the meeting is likely NOT to be open to the public)*

***All timings shown on this agenda are approximate.***

Stuart Ballard  
Head of Democratic Services  
(01622) 694002

**Monday, 12 November 2007**

*Please note that any background documents referred to in the accompanying papers maybe inspected by arrangement with the officer responsible for preparing the relevant report.*

**KENT COUNTY COUNCIL**

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**ENVIRONMENT AND REGENERATION POLICY OVERVIEW  
COMMITTEE**

MINUTES of a meeting of the Environment and Regeneration Policy Overview Committee on Tuesday, 3 July 2007 held at the Marlowe Academy, Stirling Way, Ramsgate.

PRESENT: Mr R A Pascoe (Chairman), Miss S J Carey, Mr D S Daley, Mrs E Green (substitute for Mr R Poole), Mr J B O Fullarton, Mr M J Harrison, Mr C Hibberd, Mr R L H Long, TD, Mr T Maddison (substitute for Mr T Birkett), Mr R A Marsh, Mr R J E Parker, Mrs PA Stockell and Mr R Truelove.

IN ATTENDANCE: Mr R Hardy, Managing Director of Environment and Regeneration accompanied by Dr A St Clair Baker, Executive Officer to the MD, Mr G Harrison-Mee, Director of Kent Highway Services, Mrs T Bruton, Head of Coastal Regeneration, Mr M Bodkin, Head of Urban Regeneration, Mr N Caddick, Resources Manager, Mr B Raine, Co-Director of Regeneration and Economy, Dr L Davies, Director, Environment and Waste, Ms K Chantler, Workforce Development Officer, Mr M Smith, Transportation Manager and Mrs C A Singh, Democratic Services Officer.

**UNRESTRICTED ITEMS**

**35. Membership**  
*(Item A1)*

RESOLVED that Mr T Birkett and Mr R Truelove had replaced Mr K Sansum and Mr R Muckle on this Committee be noted.

**38. Election of Vice-Chairman**  
*(Item A3)*

Mr R J E Parker proposed, Mr Maddison seconded that Mr R Truelove be elected as Vice-Chairman.

*Carried without a vote*

**37. Minutes**  
*(Item A4)*

RESOLVED that the Minutes of the meeting held on 20 April 2007 were correctly recorded and that they be signed by the Chairman.

**38. Kent County Council's Equality Strategy**  
*(Item B1 – Report by Ms J Richardson, Inclusive Services Policy Manager)  
(Dr L Davies, Director, Environment and Waste and Chairman of Environment and Regeneration Equalities and Ms K Chantler, Workforce Development Officer were present for this item)*

(1) Members received a report that sought their views on the County Council's Equality Strategy. The Equality Strategy sets out how the County Council will promote equality and community cohesion and tackle unfair discrimination in Kent. An accompanying covering report highlighted in particular, the role of the Strategy in delivering the agenda of the Environment and Regeneration Directorate.

(2) The Equality Strategy brought the three strands; gender, disability and race equality schemes together to make the County Council's work consistent across the County.

(3) The Committee were given the opportunity to raise comments and ask questions on the covering report and Strategy. They were as follows:-

- There are excellent Statement of Values in the Strategy
- In the past it had been difficult getting the highways services to take on board the issues of disabled access on local roads and the provision of bus service, which relied on staff attitudes
- The strategy needed more recognition of mental health related disabilities
- Do services contracted out adhere to this Strategy? (Dr L Davies agreed to look into this)
- The Ghurkha community was becoming a large community in Kent and should be recognised as such in the Strategy (Mrs K Chantler to feed back for Corporate Lead responsible for Strategy)
- Concerns were raised on the issue of facilities provided for disabled that were not used, particularly in relation to education and social services
- The social differences of the population across Kent were raised, in particular the disparities between East and West Kent and the effect Medway had on the data included within the Strategy
- One Member reported they had received positive feedback that styles were being replaced with "kissing gates" which were easier for disabled, elderly and dog walkers to use

(4) Dr Davies advised that the attitude of staff was important and the Equality Strategy needed to be embedded. The Directorate was currently working towards Level 3 of the Equality Standard for Local Government which would help to embed this work. The Directorate action plan would be updated 2008 identifying what the directorate would do with the results of the impact assessment and where the greatest impact would be.

(5) RESOLVED that:-

- (a) the comments made in paragraph (3) above be noted by the drafting officer; and
- (b) the report be noted.

**39. Kent County Council's Annual Plan 2007/2008 (Item B2) Directorate Annual Report 2006/07 - Year End Elements (Item 3) and Urgent Report - CPA Corporate Assessment (The Chairman took this report as urgent to allow the Committee to note report in line with all the Policy Overview Committees)**

(1) The Committee agreed to take agenda items B3, B4 and the urgent report together as they had a similar theme.

(2) Members of the Committee focused their comments and asked questions as follows:-

(1) Are we too dependent on Small/Medium Enterprises (SME)?

In response Mr Raine said that Kent, in common with some other shires, was characterized by a relatively high proportion of small and medium sized employers. These brought strengths (e.g diversity) and weaknesses (e.g. greater vulnerability to market conditions) and the key was to help them maximise the former and minimise the latter.

(2) Are we as good at Marketing as Managing?

The Kent workforce has a lower proportion of individuals with degree or higher level qualifications compared to other SE counties and this was recognised as an issue. Kent graduates are more likely to express a desire to work outside Kent than within it and efforts were being made through T2010 and the LAA to change this perception. The Committee were advised that the "Business Link" was core to SME and was carrying out a valuable job in Kent.

(3) Projects like Thames Gateway seem to take a long time to progress.

In response Members were advised that the nature of many major regeneration projects was that things did not change 'overnight'. Looking back 5-10 years and comparing then and now would, for example, show how much had changed in the M2/A2 Fastrack Eastern Quarry area and the major works that had been done. The injection of significant Government funds did not begin until 2004/05, and since that time progress has, given the scale of the developments involved, progressed well.

(4) Members were advised that regeneration programmes often had upsides and downsides. A possible example that was quoted was the forthcoming running of domestic services on the high speed rail link. These will open up opportunities for many people in Kent, but one potential challenge that can be envisaged is that this could put pressure on the recruitment of key workers and house prices.

There was irritation with the term "Highspeed Regeneration" as it was felt that the highspeed trains would be by passing Kent.

(3) RESOLVED that the reports be noted.

#### **40. Highways Restructuring Consultation**

*(Item B4 – Report by Mr P Raine, Managing Director, Environment and Regeneration)*

*(Mr G Harrison-Mee, Director, Kent Highways Services was present for this item)*

(1) The Committee considered a report on the Highways Services including the restructuring programme; relocation of staff, the two new depots, the use of new IT and the new staffing structure.

(2) Mr Harrison-Mee advised that the full structural implementation would be completed in January 2008, although the new depots would not be ready and staff would need to be in temporary accommodation until the new buildings were completed.

(3) The Committee was given the opportunity to ask questions and make comments. They were as follows:-

- The proposed new structure could create silos of expertise. How will they work across the services? Mr Harrison-Mee advised that each of the functions was represented on the Alliance Board. Area issues go to the Area Liaison Office – they in turn go to the Area Manager
- It was felt that the KHS ICT had not been adequate in the past – quality was vital
- Members felt that there had been morale problems over the last two years which would continue until the restructuring was over
- Members advised that Officers felt there was uncertainty about management “Who was responsible”?
- There had been problems with response times to Councillors and the public calls regarding faults. There needed to be a system of clear response and priorities
- Training programmes were required ie., engineers need good communication skills, etc
- Monitoring was required – when a task had not been carried out who had the responsibility to do it? Tasks need to be prioritised.
- Road safety was raised as a concern.
- The positions; Head of Local Operation and Head of Performance and Communications were key roles.
- Members did not want to see officers losing the use of their local knowledge as a result of the restructuring.
- Members were pleased to see a closer working relationship with the Borough Councils through secondments.
- Members looked forward to there being more emphasis on Development and Planning with District Councils

- Democratic Input – need to raise the Joint Transportation Board status.
- Frustration was voiced on streetlights that had not worked for years although they had been reported. Mr Harrison Mee asked the Member to forward the details to allow him to look into this.
- Members foresaw gaps in communication to the public in the areas that did not have a Parish Council or a Town Council – Need to look at rural and coastal areas too

(3) Mr Harrison-Mee responded to the comments advising that the Kent Highways Services (KHS) had over-promised in the past and this would be addressed. He agreed that the Joint Transportation Boards were needed as a forum to consider and agree the funding, schemes and the prioritising of local schemes.

(4) Mr Harrison-Mee advised that a key element of ICT kit, the GPS Location System was to be purchased. This was an electronic notebook with maps and using a pointer the operator could electronically pinpoint the site and allocate a reference number. There would also be a new monitoring system; this would allow the reference numbers to be available on the website. He aimed to reverse the 60% of the Ringway gangs spending their time driving and 40% carrying out the work.

(5) Regarding street lights, he advised that the response time was now 10 days for replacements or repairs. He proposed that in the summer months work would be carried out to do replacements and in the winter months, repairs.

(6) On the issue of the morale and the training of staff, Mr Harrison-Mee advised that KHS had the highest age range of all the directorates most staff were over 50 years old. There was to be a graduate/apprenticeship scheme.

(7) The new organised structure was to hold people accountable. The response times would be improved in a way to maximise staff time.

(8) Mr Harrison-Mee concluded that the service also needed to be able to say no in a reasonable way, being honest about the time something was going to take to do.

(9) Members of the Committee agreed to pass on any further comments/views on the report outside the meeting.

(10) RESOLVED that the views of the Committee Members and the report be noted.

**40. Kent Highways Services Alliance Board Measuring Success Report**  
*(Item B4 – Report by Mr G Harrison-Mee, Director of Kent Highways Services (KHS))*

(1) The Committee received a report on the work of the Kent Highways Services Alliance Board, this comprised the Cabinet Member for Environment, Highways and Waste, Managing Director for Environment and Regeneration, Director of Kent Highways Services and the National Managing Directors from Jacobs, Ringway and TSUK. The Board is responsible for setting strategic direction and policy for the KHS Alliance, developing the vision and culture and monitoring efficiency and performance.

(2) Members of the Committee expressed their dissatisfaction with the maintenance of street lighting particularly, in the East Kent area. Members requested monthly reports on the progress.

(3) RESOLVED that:-

- (a) the Committee Members receive monthly progress reports on the streetlighting in East Kent; and
- (b) the report be noted.

#### **41. Thanet Regeneration Initiatives - Progress**

*(Item B6 – Report by Mr P Raine, Managing Director)*

*(Mrs T Bruton, Head of Coastal Regeneration, Mr M Bodkin, Head of Urban Regeneration and Mr M Smith, Transportation Manager EKDW were present for this item)*

(1) Mrs Bruton and Mr Bodkin gave a presentation using overheads on:

- an update to the briefing on the linked regeneration initiatives which affected the central part of the Isle of Thanet reported to this Committee – *(Minute ref 23/06)*
- an update on Kent International Airport; and
- a briefing on the Turner Contemporary and the associated Margate Town regeneration initiatives

(2) Mr Smith tabled a map of the proposed highway improvements in Thanet (attached to these Minutes) Mr Smith advised that the majority of the plan would be paid for by developers in the area.

(3) RESOLVED that the presentation be noted.

#### **42. Select Committee Review Programme – Update**

*(Item C1 – Report by Overview and Scrutiny Manager)*

(1) The Committee received a report on the newly appointed Select Committee on Flood Risk and an up date on the Select Topic Review Programme.

(2) RESOLVED that:-

- (a) The Overview and Scrutiny Manager be authorised to liaise with the Chairman, Vice-Chairman and Liberal Democrat Spokesman of this Committee on the draft Terms of Reference for the Topic Review on Flood Risk; and
- (b) the update on the Select Committee Topic Review Work Programme be noted.



## KENT COUNTY COUNCIL

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### ENVIRONMENT AND REGENERATION POLICY OVERVIEW COMMITTEE

MINUTES of a meeting of the Environment and Regeneration Policy Overview Committee held on Thursday, 27 September 2007 at Sessions House, County Hall, Maidstone, Kent.

PRESENT: Mr R Truelove (Chairman for the meeting), Miss S J Carey, Mr C Hibberd, Mr R S Manning, Mr R J E Parker and Mrs P A V Stockell.

ALSO PRESENT: Mr R Gough, Cabinet Member for Regeneration and Supporting Independence.

IN ATTENDANCE: Mr A Wilkinson, Managing Director accompanied by Dr A St Clair-Baker, Executive Officer to the MD, Mr N Caddick, Resources Manager and Mr N Moon, Social Inclusion Officer and Mrs C A Singh, Democratic Services Officer (Overview and Scrutiny).

#### UNRESTRICTED ITEMS

**44. Membership**  
*(Item A3)*

RESOLVED that Mr M J Angell had replaced Mr J B O Fullerton be noted.

**45. "Towards 2010"**  
*(Item B1 – Report by Mr K Ferrin, Cabinet Member for Environment, Highways and Waste, Mr R Gough, Cabinet Member for Regeneration and Supporting Independence and Mr A Wilkinson, Managing Director)*

(1) Members of the Committee received a report on the progress for finalising the "Towards 2010" annual report that included an early draft of the report and the targets which the Environment and Regeneration Directorate contribute prior to its approval by the County Council on 18 October.

(2) The Committee agreed to take all the targets with in Mr Gough's Portfolio first. Members made comments and asked questions which were as follows:-

(3) **Target 1:** Substantially increase the number of new jobs by increasing the number of companies investing in Kent and the number of businesses starting up or expanding.

- How is KCC helping to create new jobs, highly valued jobs with aspirations?
- What is KCC doing regarding two-tier working with the District Councils?
- Do we track companies that leave Kent?
- What is the balance on employment and building land?
- There was concern raised that business parks had become unofficial depots for lorries which could hinder selling the sites.

(4) **Target 2:** Concentrate on the Regeneration of Kent's deprived areas and support business growth in these areas, seeking maximum funding from Government and the EU to support the necessary infrastructure, including roads, utilities, telecoms and other services.

- Target 6 has some influence in Target 2.
- To attract businesses, Kent needs to have people with sound skills who are reliable and self-disciplined.
- The infrastructure alone does not create jobs.
- Targets for 2007/08 could be broken down district by district.
- The issues of 30-50 year olds quality of training needs to be addressed as some areas receive better training than others.
- It was felt that too many targets would be difficult to monitor and become spurious.
- The measurable indicators and targets for 2007/08 needed to be reviewed.
- The targets needed to be within the County Council's control.
- Did the bid for INTERREG funding include Folkestone?
- There was a clear push to regenerate coastal areas putting in new industry but there seemed to be no aim to give support to existing businesses.
- Has the new Sheppey bridge provided opportunities?
- The new infrastructure on the Isle of Sheppey on its own did mean that regeneration would follow; there needed to be improvement in the education, especially in secondary schools on the island.

(5) **Target 3:** Support a programme of town centre regeneration.

- What progress has been made on the Turner Contemporary Gallery, Margate?
- It was suggested that there needed to be clarity on what the Turner Contemporary Gallery was, to give justification for the County Council's capital investment. Was this a cultural or a regeneration project? *(Mr Gough advised that it was both and that SEEDA, who are providing substantial funding for the project, recognised this.)*
- As a regeneration project was it more a Margate issue and not a Thanet issue?

(6) **Target 4:** Support rural businesses and communities to build a strong entrepreneurial culture.

- There is no mention of Sittingbourne in this target. Will it be included next year?
- It was felt that this was a broad heading and could have the spirit of two-tier working.
- Concern was raised about the major negative impact out of town developments, such as Bluewater had on Town Centres.. It was suggested that this issue should be a target next year.  
*(The targets were in the Kent Structure Plan. The Member asked for this message to be passed to Kent Highway Services)*
- Concern was raised on what assistance was given to the Rural Business Sector whose businesses brought in revenue which Kent benefited from unlike businesses that served Kent and banked money in London which eventually went out of the country.
- What were the County's language skills?
- A Member felt that this was not an aspirational target.

- What was a “business” under the statement “rural enterprises”?  
(*Definition of “business” comes from the Kent Rural Delivery Framework*)
- Could KCC do some work on a priority list regarding the proposed closure of 59 post offices?

Targets 7, 8, 38 and 39 were agreed with no comment.

(7) **Target 9:** Through our Kent Supporting Independence Programme, work towards reducing the number of people dependent on welfare benefits.  
(*Mr N Moon was present to answer questions*)

- A member shared his experiences of trying to encourage and offer work to people living on the street and sleeping in doorways. The few who did turn up for work could not or did not know how to mentally and physically work.  
(*There was a raft of evidence on LAA targets stopping people from working. Trust needed to be built up. In the last year we have built up to 200 people who were all engaged*).

(8) **Target 35:** Work with bus and train providers and lobby Government to improve public transport services in Kent.

- Members questioned how KCC could have a target to achieve trains arriving within 5 minutes of scheduled time when this was not in the County Council’s control.
- A suggestion was made that KCC looked at congestion and parking regarding CTRL.
- It was suggested that there needs to be control over the number of lorries and cars on the road.

(9) **Target 40**

- A request was made for the language in the target to be made tighter.

(10) **Target 44**

- The reference to “December 2006” needed to be corrected.

(11) Following on, the Committee agreed to discuss the targets under Mr Ferrin’s Portfolio. (*Mr A Wilkinson and Mr N Caddick were present to answer questions*).

(12) **Target 30:** Work towards introducing a Kent Youth travel card entitling all 11-16 year olds to free public transport in the County, subject to the outcome of two district pilots.

- It was suggested that the Measurable Indicator should be “for further pilot areas to be set up, as well as continuing the scheme in the already piloted areas”.

(13) **Target 31:** Pilot staggered school hours to relieve rush hour congestion.  
(*Joint target with the Children, Families and Education Directorate*).

- It was felt that the culprit for the congestion in town centres was the school run and this was due to where schools were located and this needed to be addressed by the Children, Families and Education Directorate in their planning of the locations of new schools.

- There needed to be measurable indicators and targets for 2007/08 added.
- It was suggested that KCC needed to continue dialogue with the utility companies for them to work to the County Council's schedule.

(14) **Targets 32, 33, 34 and 36 were agreed without comment.**

(15) **Target 37:** Improve the way we repair roads and pavements.

- A Member gave his congratulations on this target.

(16) **Target 42:** Reduce the impact of KCC's buildings and vehicles on the environment, including trailing the use of bio-fuels and other new technologies.

- It was queried whether the date "2010" was correct for the target.

(17) **Target 43:** Expand the Clean Kent Programme to tackle the top 20 fly-tipping hot spots and increase the capacity to prosecute fly-tipping offenders.

- There was a request for the number for successful prosecutions to be included.

(18) **Target 46:** Lobby Government, the water companies and developers to ensure that house building programmes do not threaten Kent's water supplies.

- Are we lobbying the South East water suppliers and if so, what response has there been?

(19) **Target 59:** Work with our partners to reduce the number of deaths and serious casualties from road accidents.

- It was highlighted that not all areas in Kent had a Parish Council and consideration should be given to working with other local partners.

(20) Mr Wilkinson gave an assurance that he would pull together the strands of all the targets to give better cohesion.

(21) RESOLVED that each of the Environment and Regeneration led targets and Measurable Indicators for 2007/08 be reviewed taking into consideration the comments detailed in paragraphs 44(3) – (20) above.

#### **46. Response to the Questionnaire on the Overview and Scrutiny Committees**

*(Item B2 – Report by Mr P Carter, Leader of the County Council)*

(1) The Committee considered the response by the Leader of the County Council to a questionnaire, he commissioned in July 2007 on all the Policy Overview and Scrutiny Committees (POCs).

(2) Members of the Committee were given the opportunity to make comments which were as follows:-

- Members needed to be reminded that they should be contributing to the agendas.
- The POCs are a Member and not Officer Committee.

- The POCs are not a decision-making Committee.
- It needed to be clear when a decision was being made in the meetings.
- It was considered that too much meeting time was taken listening to progress reports.
- Members requested written reports before the meetings.
- Members of the Committee felt that the Cabinet Members should be in attendance at all POC meetings although this was not always the case.
- Site visits should be arranged only when necessary.

(3) RESOLVED that the report and comments in paragraph (2) above be noted.

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By: Adam Wilkinson, Managing Director Environment & Regeneration

To: Environment & Regeneration Policy Overview Committee – 20 November 2007

**Subject: FINANCIAL MONITORING REPORT 2007/08 - Update**

Classification: Unrestricted

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Summary: To update the Committee on the Financial Monitoring Report made to Cabinet on 17 September 2007.

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## **1. Introduction**

- 1.1 The first financial monitoring report for 2007/08 was made to Cabinet on 17 September. A copy of the pages relevant to Environment & Regeneration is attached as an appendix to this report.
- 1.2 This report provides an update on that report and provides Committee Members with an opportunity to question portfolio holders and officers on any areas where they wish to have further information.

## **2. Update: Environment, Highways & Waste Portfolio**

- 2.1 The overall underspend on waste is now forecast to be in the region of £2.5m. £0.7m of this is required to offset the directorate's overall budget imbalance that was built into the 2007/08 budgets.
- 2.2 It was previously reported that £1m of this underspend on waste would be offset by additional spending on highway maintenance, particularly vegetation control. However, due to the overall financial forecast for KCC as a whole for the year 2007/08 KHS is now being required to manage within existing maintenance budgets until a balanced outturn position for the authority as a whole is more certain. KHS is currently exploring budgetary options that will ensure that routine vegetation control is maintained.
- 2.3 The forecast for the EH&W portfolio assumes that emergency expenditure arising from the earthquake in Folkestone and the flooding in Dover and other areas in June will be met from the authority's Emergency Conditions reserve.

## **3. Update: Regeneration & Supporting Independence Portfolio**

- 3.1 Construction work on the de-dualling project at Fort Hill, Margate will not now commence until April 2008 and therefore a roll forward of £0.5m will be requested to meet the revenue contribution to this capital project in 2008/09. The £0.5m allocated in the current budget was funding by an allocation from the overall authority-wide underspend in 2006/07.

- 3.2 There has been a further delay in the progressing of the Local Development Framework for Minerals & Waste which will lead to an underspend of around £185k. A request will be made to roll this sum forward to 2008/09 to progress this statutory plan.
- 3.3 An underlying pressure of £65k relating to the cessation of external funding for one post will be managed from within existing budgets

**4. Recommendation**

- 4.1 Members are invited to consider the September 17 Cabinet report and the updates above

*Contact Officer: Barry Gould (extn 4035)*



## ENVIRONMENT & REGENERATION DIRECTORATE SUMMARY JULY 2007 FULL MONITORING REPORT

### 1. FINANCE

#### 1.1 REVENUE

1.1.1 All changes to cash limits are in accordance with the virement rules contained within the constitution, with the exception of those cash limit adjustments which are considered “technical adjustments” i.e. where there is no change in policy, including:

- Allocation of grants and previously unallocated budgets where further information regarding allocations and spending plans has become available since the budget setting process.
- This quarter cash limits have been adjusted to reflect a number of technical adjustments to budget, including the apportionment of -£0.085m of the e-recruitment saving from the Corporate Support portfolio and the addition of £6.625m of roll forward from 2006-07, as agreed by Cabinet on 16 July 2007.

1.1.2 **Table 1** below details the revenue position by Service Unit:

Budget Book Heading	Cash Limit			Variance			Comment
	G	I	N	G	I	N	
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s	
<b>Environment, Highways &amp; Waste portfolio</b>							
Kent Highways Services	56,919	-8,511	48,408	1,130	-130	1,000	Additional routine mtce. Extra Recharge income.
Public Transport Contracts	7,677	-634	7,043	300	-300	0	Freedom Pass take-up. Extra income.
Rural Bus Grant	2,276	-2,276	0	0	0	0	
Capital Programme Group	689	-444	245	0	0	0	
Waste Management	60,627	-2,749	57,878	-2,262	562	-1,700	Less tonnage / Allington commissioning period. 50% WPEG grant for capital.
Environmental Group	7,908	-3,931	3,977	0	0	0	
Transport Strategy	559	0	559	0	0	0	
Resources	4,376	-467	3,909	730	-30	700	Budget Gap. Extra recharge income.
<b>Total E, H &amp; W</b>	<b>141,031</b>	<b>-19,012</b>	<b>122,019</b>	<b>-102</b>	<b>102</b>	<b>0</b>	
<b>Regeneration &amp; Supporting Independence portfolio</b>							
Regeneration & Projects - Area Teams & Major Projects	4,837	-1,112	3,725	460	-460	0	Extra DCLG activity
Economic Development	2,950	-988	1,962	0	0	0	
Planning & Development	1,183	-57	1,126	-60	0	-60	delay in Local Development Framework to be bid for roll forward
Planning Applications	1,583	-468	1,115	0	0	0	
Change & Development	285	0	285	205	-115	90	Unfunded post and seconded staff with income
Kent Regeneration Fund	954	-850	104	0	0	0	
<b>Total Regen &amp; SI</b>	<b>11,791</b>	<b>-3,475</b>	<b>8,316</b>	<b>605</b>	<b>-575</b>	<b>30</b>	
<b>Total Directorate Controllable</b>	<b>152,822</b>	<b>-22,487</b>	<b>130,335</b>	<b>503</b>	<b>-473</b>	<b>30</b>	

1.1.3 **Major Reasons for Variance:**

Table 2, at the end of this section, details all forecast revenue variances over £100k. Each of these variances is explained further below:

**Environment, Highways & Waste portfolio:**

- 1.1.3.1 Kent Highway Services (KHS) needs to undertake additional routine highway maintenance, particularly including vegetation control, at a cost of £1.13m, to improve the current conditions on the highway network.
- 1.1.3.2 Recharge income for KHS is estimated to exceed the budget, particularly in the area of Section 38 Agreements (developer contributions towards the KHS design and supervision fee in respect of new housing developments).
- 1.1.3.3 The Resources Division within the E,H&W Portfolio holds the Directorate-wide budget imbalance of £730k, which relies upon a Management Action Plan to ensure a balanced Portfolio budget by the year-end. The under spending of the Waste Management budget, detailed in 1.1.3.5 below, will provide the needed funding cover.
- 1.1.3.4 One of the Towards 2010 targets is the provision of a Freedom Pass for public transport usage by 11 to 16 year olds. Two pilots are in progress. The take-up of passes has exceeded expectations and a further £300k will be required to re-imburse the operators. This sum will be covered by the income received from the Education Service exceeding the budget set.
- 1.1.3.5 The Allington Waste to Energy plant is still in the commissioning stage. At present, it is not working at full capacity. As a result more waste is going to Landfill than budgeted for, but this is at a cheaper rate, for the moment, and hence a saving on the budget is being achieved. An assessment has been made as to the period needed before full working is achievable. Also, the waste tonnage to date, compared to last year, is reduced.

We have received WEEE grant income of £250k that was not built into the budget. 50% of the WPEG grant (50% = £812k) has been paid as a capital grant and therefore is not available to support the revenue budget, as planned.

**Regeneration & Supporting Independence portfolio:**

- 1.1.3.6 There is an increased volume of DCLG activity within Regeneration & Projects, in relation to the Kent Thameside and Swale Delivery Boards, which will be matched by 100% grant (+/- £460k). The budget for this item has to be determined often before knowledge of all programmes of work is available.
- 1.1.3.7 Within Change and Development, one occupied post is unfunded, and there are three seconded staff matched by 100% external funding of £115k.

**Table 2: REVENUE VARIANCES OVER £100K IN SIZE ORDER**

Pressures (+)			Underspends (-)		
portfolio		£000's	portfolio		£000's
EHW	Essential Routine Mtce. including vegetation control	+1,130	EHW	Reduced tonnage through Allington WtE plant and lower waste growth	-2,262
EHW	The Waste WPEG grant was budgeted as 100% revenue grant but it is being paid as 50% capital grant and is therefore not available to support the revenue budget	+812	RSI	Increased Volume of DCLG grant - Kent Thameside & Swale Delivery Boards	-460
EHW	Budget Gap (covered from Waste under spend)	+730	EHW	Mainly Income from Education Service in excess of budget	-300
RSI	Increased Volume of DCLG activity - Kent Thameside & Swale Delivery Boards	+460	EHW	WEEE Grant not budgeted as income	-250
EHW	Extra take-up of Freedom Bus Pass	+300	EHW	Improved level of KHS Recharge income	-130
RSI	1 Unfunded post and Seconded Staff funded externally in Change & Development Division	+205	RSI	Seconded Staff funded externally in Change & Development Division	-115
		+3,637			-3,517

#### 1.1.4 Actions required to achieve this position:

Whilst the Regeneration and Supporting Independence Portfolio shows a modest £30k over spending, it should be noted that the £60k under spending on Planning & Development Group will be requested to roll forward into 2008/09 and is not available to "offset". Hence the imbalance is in reality £90k. A solution is being sought.

The E, H & W Portfolio position is balanced due to the utilisation of the estimated net under spending, as explained above, of the Waste Management budget.

It should be noted that this forecast assumes that the County Council's Emergency Reserve will provide funding to meet the estimated cost of £250k, for corrective work following the floods in June.

#### 1.1.5 Implications for MTFP:

The reduction in waste tonnage, should it continue, will require an adjustment to the assumptions contained within the current MTFP. The Directorate budget gap of £730k is to be re-aligned within the 2008/09 budget year.

#### 1.1.6 Details of re-phasing of revenue projects:

The forecast under spending of £60k for the Planning & Development Group (R&SI Portfolio), in respect of a delay in the Local Development Framework for Waste and Mineral Studies, will need to be rolled forward to 2008/09.

#### 1.1.7 Details of proposals for residual variance:

A solution is being sought to the unfunded post within Change & Development.

## 1.2 CAPITAL

1.2.1 All changes to cash limits are in accordance with the virement rules contained within the constitution and have received the appropriate approval via the Leader, or relevant delegated authority.

Cash limits have been adjusted this quarter to reflect:

	2007-08 £000s	2008-09 £000s	2009-10 £000s
<u>Environment, Highways &amp; Waste portfolio:</u>			
▪ Roll forward of the re-phasing from 2006-07	6,528		
▪ Removal of A228 Colts Hill Strategic Link from the capital programme, as the preliminary costs are to be met from revenue until Government Approval is obtained for this major road scheme	-10	-10	-10
▪ Virement of Small Community Capital Grant budget from the Policy & Performance portfolio	28		
<u>Regeneration &amp; Supporting Independence portfolio:</u>			
▪ Roll forward of the re-phasing from 2006-07	2,453		

1.2.2 **Table 3** below provides a portfolio overview of the latest capital monitoring position.

	Prev Yrs Exp £000s	2007-08 £000s	2008-09 £000s	2009-10 £000s	Future Yrs £000s	TOTAL £000s
<b>Environment, Highways &amp; Waste Portfolio</b>						
Budget	87,667	103,153	67,038	53,805	88,428	400,091
Adjustments:						
- roll forward		6,528				6,528
- removal of A228 Colts Hill preliminary costs		-10	-10	-10		-30
- virement of SCCG budget		28				28
Revised Budget	87,667	109,699	67,028	53,795	88,428	406,617
Variance		-11,998	11,998	0	0	0
<b>split:</b>						
- real variance						0
- re-phasing		-11,998	+11,998			0
<b>Regeneration &amp; Supporting Independence Portfolio</b>						
Budget	3,904	7,604	1,500	2,000	1,000	16,008
Additions:						
- roll forward		2,453				2,453
-						0
-						0
Revised Budget	3,904	10,057	1,500	2,000	1,000	18,461
Variance		0	0	0	0	0
<b>split:</b>						
- real variance						0
- re-phasing						0
<b>Directorate Total</b>						
Revised Budget	91,571	119,756	68,528	55,795	89,428	425,078
Variance	0	-11,998	11,998	0	0	0
<b>Real Variance</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Re-phasing</b>		<b>-11,998</b>	<b>+11,998</b>	<b>0</b>	<b>0</b>	<b>0</b>

### 1.2.3 Main Reasons for Variance

Table 4 below, details all forecast capital variances over £250k in 2007-08 and identifies these between projects which are:

- part of our year on year rolling programmes e.g. maintenance and modernisation;
- projects which have received approval to spend and are underway;
- projects which are only at the approval to plan stage and
- projects at initial planning stage.

The variances are also identified as being either a real variance i.e. real under or overspending which has resourcing implications, or a phasing issue i.e. simply down to a difference in timing compared to the budget assumption.

Each of the variances in excess of £1m which is due to phasing of the project, excluding those projects identified as only being at the initial planning stage, is explained further in section 1.2.4 below.

All real variances are explained in section 1.2.5, together with the resourcing implications.

**Table 4: CAPITAL VARIANCES OVER £250K IN SIZE ORDER**

portfolio	Project	real/ phasing	Project Status			
			Rolling Programme £'000s	Approval to Spend £'000s	Approval to Plan £'000s	Initial Planning Stage £'000s
<b>Overspends/Projects ahead of schedule</b>						
			0	0	0	0
<b>Underspends/Projects behind schedule</b>						
EHW	Re-shaping Kent Highways Accommodation	Phasing		-11,000		
EHW	Sittingbourne Northern Relief Road	Phasing			-583	
EHW	Newtown Road Bridge	Phasing			-320	
			0	-11,000	-903	0
			0	-11,000	-903	0

#### 1.2.4 Projects re-phasing by over £1m:

##### 1.2.4.1 KHS co-location project – slippage £11 million

This scheme is designed to deliver service improvements and efficiencies and replacements for some of the existing depots which do not meet modern day environmental standards. The project has slipped by £11 million representing 40% of the total value of the scheme. There has been delay in starting the Wrotham and Sandwich schemes because of objections to elements of the intended construction. There will be a delay in completion. The service implications of this delay are a continuation of the usage of existing office accommodation. The financial implications of this delay are currently being assessed with regard to the overall capital cost of the scheme. It is anticipated that revenue costs will be contained within the budget allocation. These cost pressures will be contained within the Project Contingency, to contain the overall capital programme within existing cash limits over the medium term. Revised phasing of the scheme is now as follows:

	Prior Years	2007-08	2008-09	2009-10	future years	Total
	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
<b>BUDGET &amp; FORECAST</b>						
Budget	5,052	22,550	250			27,852
Forecast	5,052	11,550	11,250			27,852
Variance	0	-11,000	11,000	0	0	0
<b>FUNDING</b>						
<b>Budget:</b>						
prudential	2,000					2,000
prudential/revenue	2,843	20,780	-4,120			19,503
external	9					9
capital receipts	200	1,770	4,370			6,340
TOTAL	5,052	22,550	250	0	0	27,852
<b>Forecast:</b>						
prudential	2,000					2,000
prudential/revenue	2,843	9,780	6,880			19,503
external	9					9
capital receipts	200	1,770	4,370			6,340
TOTAL	5,052	11,550	11,250	0	0	27,852
Variance	0	-11,000	11,000	0	0	0

It is proposed that £2.45m of this slippage be vired for use on the following projects, but a decision has yet to be taken on the appropriate spread over 2007/08 and 2008/09, given the planning and preparation time needed for some of this work:

- £330k investment in Street Lighting and Lit Signs, to reduce energy costs
- £120k Ramsgate Tunnel, insulation of new lighting with electronic controls
- £850k Major Bridge repairs
- £650k Replacement of damaged crash barriers/guard rails/parapets
- £500k Resurfacing of Strategic Roads,

with the corresponding £2.45m reduction in the KHS co-location budget being reinstated in the 2008-11 MTFP process. This will bring the 2007-08 budget for capital maintenance up to the figure in the Government's Local Transport Plan settlement for Kent. **Cabinet is asked to agree this virement.**

#### 1.2.5 Projects with real variances, including resourcing implications:

N/A

#### 1.2.6 General Overview of capital programme:

##### (a) Risks:

It is still early in the year to be confident of all project/scheme over/under spends. The quality of the forecast will improve as we move through the financial year.

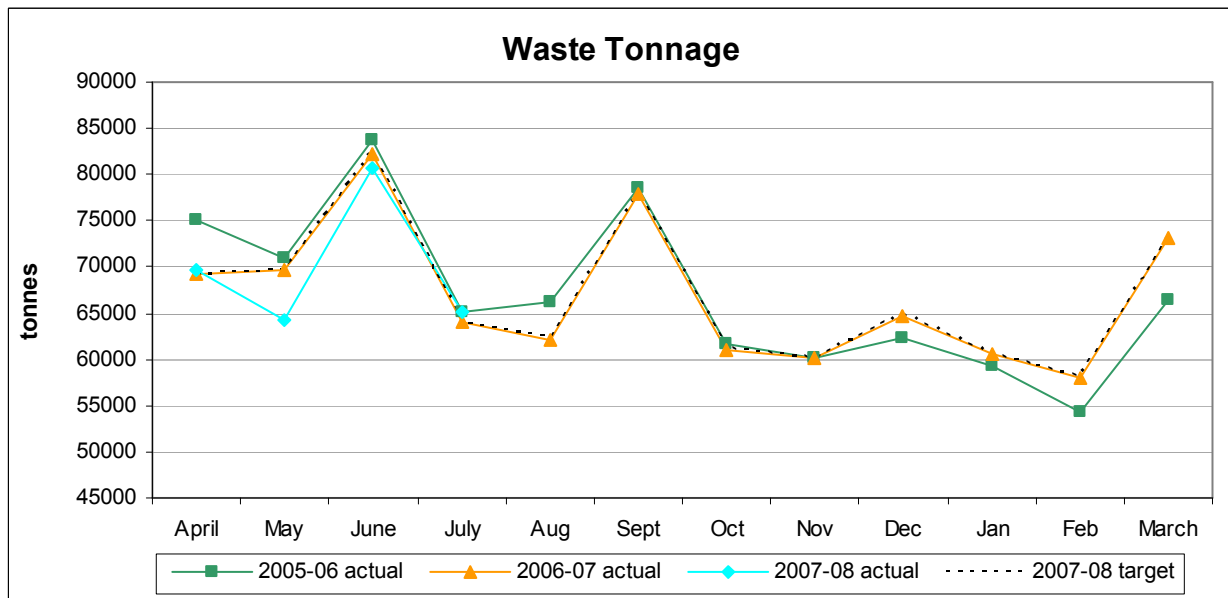
##### (b) Details of action being taken to alleviate risks:

Regular meetings with project managers take place to revise the forecast.

## 2. KEY ACTIVITY INDICATORS AND BUDGET RISK ASSESSMENT MONITORING

2.1 **Waste Tonnage:**

	2005-06	2006-07	2007-08	
	Waste Tonnage	Waste Tonnage	Waste Tonnage	Business Plan Target
April	75,142	69,137	69,677	69,212
May	70,964	69,606	64,230	69,681
June	83,770	82,244	80,700	82,333
July	65,063	63,942	65,171	64,011
August	66,113	62,181		62,249
September	78,534	77,871		77,956
October	61,553	61,066		61,132
November	60,051	60,124		60,189
December	62,397	64,734		64,804
January	59,279	60,519		60,585
February	54,337	58,036		58,098
March	66,402	73,170		73,230
<b>TOTAL</b>	<b>803,605</b>	<b>802,630</b>	<b>279,778</b>	<b>803,480</b>



Comments:

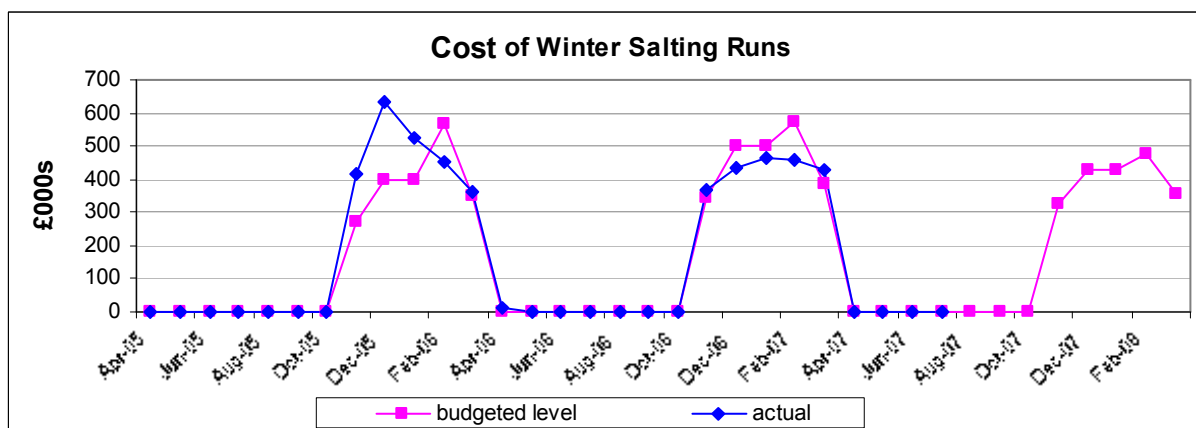
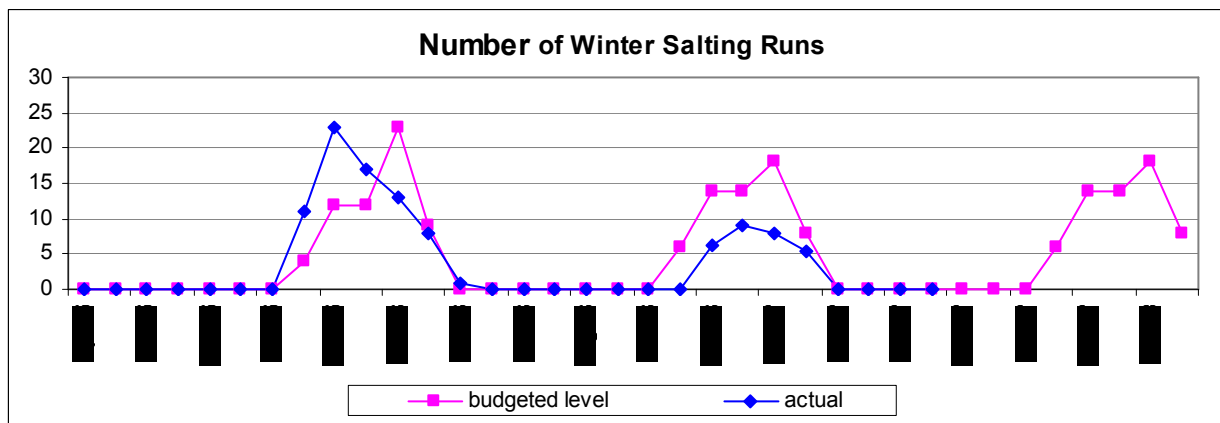
- Tonnage has declined from last year, and also the expected volume to be put through the Allington WtE Plant, which is still in the commissioning stage. As, in the early years, the cost of Allington processing is higher than standard Landfill, the budget benefits from reduced costs. So, even if the total tonnage to be managed was the same as last year, there would still be an under spending on the budget, all other things being equal.

2.2 **Number and Cost of winter salting runs:**

	2005-06				2006-07				2007-08			
	Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs		Number of salting runs		Cost of salting runs	
	Actual	Budgeted level	Actual	Budgeted level	Actual	Budgeted Level	Actual	Budgeted Level	Actual	Budgeted level	Actual	Budgeted Level <sup>2</sup>
				£000s	£000s	£000s	£000s			£000s	£000s	
April	-	-	-	-	0.8 <sup>1</sup>	-	10	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-
August	-	-	-	-	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-
November	11	4	418	272	-	6	368	345	6	6	328	
December	23	12	631	396	6.3	14	437	499	14	14	428	
January	17	12	525	396	9.0	14	467	499	14	14	429	
February	13	23	453	567	8.0	18	457	576	18	18	479	
March	8	9	364	349	5.5	8	430	384	8	8	354	
<b>TOTAL</b>	<b>72</b>	<b>60</b>	<b>2,391</b>	<b>1,980</b>	<b>29.6</b>	<b>60</b>	<b>2,169</b>	<b>2,303</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>2,018</b>

Note <sup>1</sup>: only part of the Kent Highways Network required salting

Note <sup>2</sup>: the 2007-08 budget excludes overheads, as these are now charged centrally



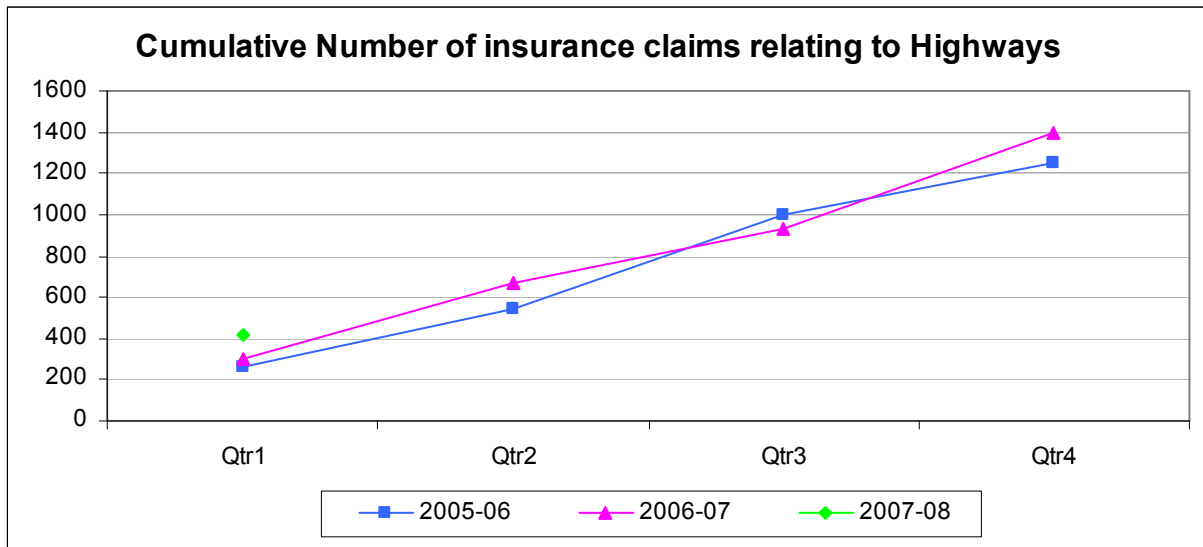
Comment:

- The charges for the Winter Maintenance Service reflect a large element of fixed cost; the smaller element being the variable cost of the salting runs. Contractual fixed costs have been apportioned equally over the 5 months of the salting period.

### 2.3 Number of insurance claims arising related to Highways:



	2005-06	2006-07	2007-08
	Cumulative no. of claims	Cumulative no. of claims	Cumulative no. of claims
April – June	263	303	419
July – September	547	669	
October – December	997	933	
January - March	1,252	1,398	



Comments:

- The increase in claims between 2005-06 and 2006-07 appears to reflect a national trend. Nearly all other county councils in South East England have reported a similar rise in 2006. Carriageway claims are starting to increase and this may be evidenced by the relatively high figure for the first quarter of this financial year.

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By: Adam Wilkinson, Managing Director Environment & Regeneration

To: Environment & Regeneration Policy Overview Committee – 20 November 2007

**Subject: MEDIUM TERM PLAN 2008-09 TO 2010-11**

Classification: Unrestricted

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Summary:	To update the Committee on the Autumn Budget Statement report to Cabinet on 17 September 2007 and any later announcements by Government departments. In addition, to provide Members of the Committee with an opportunity to consider suggested service pressures and to develop savings proposals for the Directorate.
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## **1. Introduction**

- 1.1 The Autumn Budget Statement report by the Leader, Cabinet Member for Finance, Chief Executive and Director of Finance to Cabinet on 17 September 2007 set out the national and local context for KCC's medium term plan (MTP) for the period 2008-09 to 2010-11.
- 1.2 This report expands on that report, updates for the latest developments, looks in more detail at specific elements in the directorate medium term plan, and invites Members to make proposals for the services provided by the Environment & Regeneration (E&R) directorate.

## **2. Background**

- 2.1 This paper summarises the current budget position for 2008-09 and is based on submissions to Corporate Finance as part of the Medium Term Plan process. Indicative cash limits for 2008-09 and 2009-10 were approved by County Council in February 2007 in the MTP for 2007-10. These figures are being updated for known changes such as transfers of activities or staff between portfolios, Comprehensive Spending Review 2007 and the forthcoming local government finance settlement, expected in late November or early December. This gives Members a starting point to review the 2008-11 MTP.
- 2.2 The indicative cash limits are consequently under review given we are due to move into a relatively fixed three year settlement for local government funding.

- 2.3 The outcomes of the discussions at this meeting will feed into the continuing MTP process, of which the key dates are:

Provisional grant settlement	late November / early December
Update on provisional settlement	3 December Cabinet (if available)
Chancellor's pre-budget report	mid December (best guess)
Draft budget proposals released	21 January 2008
Corporate Services POC	25 January 2008
Cabinet	6 February 2008
County Council	19 February 2008

Further information on the budget timetable, as appended to the Autumn Budget Statement, is attached at appendix 4 for further information.

To help inform the discussions, there is also a directorate budget monitoring report on this agenda, as there will be in January, and on a regular basis thereafter.

### **3. Latest Developments: National Context**

- 3.1 There are a number of national factors to take into account.
- 3.2 The government's Comprehensive Spending Review 2007 was published on 9 October 2007 and sets out national spending plans for the next three years, 2008-11.
- 3.3 The Chancellor's Pre Budget Report was announced the same day and sets out some further detail.
- 3.4 We are now working on assumptions for 2008-09 onwards which take into account the outcomes from those announcements, whilst awaiting the detail of the local government finance settlement which is still to come. There are no significant changes to our budget assumptions which were set out in the autumn Budget Statement in September. Key assumptions remain:
- No increase in government formula grant
  - Council tax increase limited to a maximum of 5% per annum
  - The option to raise a precept on the business rate

### **4. E&R Priorities for the Medium Term Plan**

- 4.1 The overall direction for directorate is now well established, and enclosed with this report (appendices 1a and 1b) is a first draft paper of the Medium Term Service Priorities which will shape our contribution to Section 3 of the Medium Term Plan.
- 4.2 Members will appreciate, from the information in section 3 of this report, that the financial framework for the medium term will be very tough for all

Directorates and comes at a time when demand for services has never been higher, both because more people need services and because of greater public expectations.

- 4.3 Whilst the Directorate is implementing modernisation changes that will increase efficiency and effectiveness, there does need to be awareness of the need to consider some difficult decisions affecting the directorate in the medium term
- 4.4 Areas of spending priority for which significant additional funding is suggested are as follows:

**Pressure £3,597k** – Prices. The dominant factors here are price pressures in the directorate's two bigger spending services – Kent Highway Services and Waste Management. In the case of Kent Highway Services inflationary pressures need to be met if levels of spending power and hence services (e.g. maintenance, subsidised bus services) are to be maintained at current levels. In the case of Waste Management price pressures generated by increases in the cost of labour, fuel and transport are built into the contracts

**Pressure £2,177k** – Landfill Tax Escalator. This is now increasing by £8 per tonne per year rather than £3 per tonne per year. Currently it is £24 per tonne and over the next three years it is national policy to increase this to £48 per tonne in order to make other forms of waste management more financially attractive compared to landfilling. Due to relatively high levels of recycling and composting and the availability of the waste to energy plant at Allington the impact is reduced but there is still an extra, and completely unavoidable, cost increase.

**Pressure £1,624k** – Waste Performance & Efficiency Grant. This grant from DEFRA ceases in 2007/08 and is replaced by an allocation 'built into' the overall settlement. In order to maintain current levels of service and activity this budget line will need to be maintained.

**Pressure £3,650k** – Towards 2010 objectives. Most of this (£3,500k) is funding allocated for the Kent Freedom Pass. This assumes that the success of the current pilots is sustained and enables the KFP to be rolled out into further areas.

**Pressure £1,783k** – Costs associated with service enhancements associated with the existing waste strategy. An example would be the composting arrangements at Blaise Farm.

**Pressure £746k** – One-off actions taken in 2007/08 in order to balance the budget to cash limit.

**Pressure £0k** – In developing the MTFP for the period 2008/09 to 2010/11 we are currently assuming that waste growth will be 0%. Whilst this stance is supported by local and national figures for the past two to

three years, which have shown a stabilisation or reduction in waste growth, there is inevitably risk in assuming waste growth will be nil. Although waste minimisation is a key element in the work of the changing attitudes and behaviours team in the waste management unit, KCC cannot control waste growth. However, given the national focus on waste issues it is not currently felt to be unrealistic to assume that waste growth will be minimal. Waste figures are closely monitored and thus any potential problems should be spotted at an early stage.

**Bid £5,000k** – In recognition of the priority the public places on road and footway maintenance, the need to ensure that key day-to-day operational maintenance services are sustained and improved and it is suggested that an additional £5,000k be made available for revenue maintenance.

4.5 The position can be summarised as follows:

	2008-09 £'000	2009-10 £'000	2010-11 £'000
<b>Existing pressures in published MTP 2007- 2010</b>			
Pay	549	438	
Prices	3,755	3,683	
Legislative	4,091	2,683	
Demand	397	377	
Towards 2010	3,600	3,000	
Service Improvements	2,116	77	
<b>New pressures</b>			
Pay	0	0	447
Prices	-158	-242	3,333
Legislative	-460	-557	2,044
Demand	-397	-377	0 (1)
Towards 2010	50	-50	3,400 (2)
Service Improvements	7,456	814	1,305 (3)

Notes:

- (1) Waste growth set at 0% per annum
- (2) Kent Freedom Pass
- (3) Includes £5,000k KHS maintenance, £800k waste development, £500k for IT enhancements in 2008/09

More detail is set out in appendices 2a and 2b, which sets out the draft MTFP for the Environment, Highways & Waste and Regeneration & Supporting Independence portfolios.

4.6 The Comprehensive Spending Review 2007 confirmed government's expectation of a 3% efficiency saving per annum for each of the next three years for local government budgets. The detail of the efficiency target is still being worked through but broadly, appears as expected to be based on gross budgets (with a few minor exceptions). That means an annual efficiency saving (based on current budgets) of £4.39m per

annum (£13.17m cumulatively) for the portfolios covered by this committee.

4.7 The POC is asked to prioritise the functions and budget that it has oversight of and indicate what types and areas of savings, broadly, might be achievable and acceptable, if there were a savings requirement on the current gross budget of:

- 1%; which equates to £1.46m
- 2%; which equates to £2.92m and
- 3%; which equates to £4.39m

Note: a proportion of the gross spend is accounted for by income.

To assist and remind Members of the current position, the current budgets for the functions they have oversight of are attached as appendix 3 to this report. The appendix is a summary of the relevant pages from the approved annual operating plans

## **5 Recommendation**

5.1 Members are asked to:

- a) note the national and local context within which this MTP will be set.
- b) scrutinise the pressures attached to this report
- c) identify and express their relative priorities for services and to indicate, broadly, areas and types of savings and efficiencies that they consider could realistically be achieved.

*Contact Officers: Barry Gould (extn 4035) Niel Caddick (extn 4254)*

## **Environment, Highways & Waste - Draft Submission for Section 3 of the Medium Term Plan**

### **1. Overall Objectives of the Portfolios**

The overarching aim of making Kent a better place to live, work and visit will continue to be the reference point for all of our activities. We will strive to look after the built and natural environment, maintain and improve transport, reduce congestion, and manage Kent's waste in an effective and efficient manner.

### **2. Medium Term Service Priorities**

Many of these will remain as set out in the current Medium Term Plan:

- Maintaining essential quality of life services
- Managing real-terms costs pressures that affect our services
- Further developing and improving the Kent Highway Services Alliance
- Implementing road schemes
- Reducing KCC's environmental impact
- Progressing Kent's LAA, 'The Kent Agreement'
- Progressing LPSA2 targets
- Progressing Towards 2010 Objectives

New priorities will emerge from the current work on an overall Kent Regeneration Strategy.

### **3. Risk Assessment**

As with the medium term priorities, many of these remain as in the current plan:

- Health & Safety
- Budget overspend (e.g. extreme weather, waste growth)
- Managing a large capital programme



## **Regeneration & Supporting Independence - Draft Submission for Section 3 of the Medium Term Plan**

### **1. Overall Objectives of the Portfolios**

The focus for the portfolio will remain creating a strong economy, attracting inward investment, delivering sustainable growth in North Kent and Ashford and regenerating our towns with a particular focus on the coastal towns.

### **2. Medium Term Service Priorities**

Many of these will remain as set out in the current Medium Term Plan:

- Active engagement with partners
- Developing Kent's potential as a tourist destination
- Co-ordinating action in the growth areas
- Developing and implementing high-level strategies
- Arguing Kent's case
- Delivering on LAA and PSA2 targets
- Progressing Towards 2010 objectives

New priorities will emerge from the current work on an overall Kent Regeneration Strategy.

### **3. Risk Assessment**

As with the medium term priorities, many of these remain as in the current plan:

- Delivering complex programmes involving many partners
- Maximising income, especially in the growth areas
- Ensuring Central Government have realistic expectations and aspirations in the growth areas and that the necessary funding for infrastructure is forthcoming from them

## Draft of MTP for the Environment, Highways &amp; Waste Portfolio

Environment, Highways & Waste Portfolio - DRAFT Revenue Budget				
		2008-09	2009-10	2010-11
		£000s	£000s	£000s
<b>Pay &amp; Reward</b>	(Including Pension Uplift in 2008/09)			
All Groups		<b>423</b>	<b>333</b>	<b>340</b>
<b>Prices</b>	Waste Management	1,907	1,591	1,373
	KHS - Buses (including 2007/08 correction)	450	268	295
	KHS - Highways Maintenance (2009/10 & 2010/11 reflect £5m injection)	1,208	1,549	1,632
	Other Groups	25	25	25
		<b>3,590</b>	<b>3,433</b>	<b>3,325</b>
<b>Government/Legislative Pressures:</b>				
WMG	Landfill Tax Escalator - Growth Adjustment (+£8 per tonne)	2,177	2,126	2,044
WMG	Waste Performance & Efficiency Grant from Government (Only announced up to 2007/08)	1,624	0	0
		<b>3,801</b>	<b>2,126</b>	<b>2,044</b>
<b>Demand/Demographic Led:</b>				
WMG	Waste Growth +0% on 2007/08 onwards	0	0	0
		<b>0</b>	<b>0</b>	<b>0</b>
<b>Delivery of Towards 2010 Targets:</b>				
KHS	Free transport for all 11 to 16 year olds (2007/08 is pilot for introduction)	3,500	3,000	3,400
KHS	Congestion Reducing initiatives	150	0	0
		<b>3,650</b>	<b>3,000</b>	<b>3,400</b>
<b>Local Public Service Agreement:</b>				
		<b>335</b>	<b>49</b>	<b>-384</b>
<b>Service Strategies and Improvements:</b>				
KHS	Works Contract Savings recycled into Highway Maintenance	500	0	0
KHS	Highways Maintenance Injection	5,000	0	0
WMG	Lease at Dartford Heath site	13	0	0
WMG	Blaise Farm (Green Waste) Contract	434	0	0
WMG	Waste To Energy Plant (Allington) - Gate Fees	297	0	0
WMG	Pepperhill Site Development (Gate Fee)	839	0	0
WMG	Materials Recycling & Processing Facility - East Kent	0	1,053	656
WMG	Waste Transfer Station at Ashford	0	0	769
WMG	One-off Reduction from 06/07 minimisation and composting	200	0	0
ENV	Shorne CP - Facilities Running Costs Adjustment	-10	0	30
ENV	Other Environmental Developments	131	250	-100
ENV	Biodiversity Extra Post	34	0	0
ENV	Heritage Extra Post	35	0	0
ENV	Fly tipping Action on the Highway	10	0	0
ENV	Country Park Base Operations Uplift	30	0	0
Resources	One-off Actions in 2007/08 - Base Correction Required	587	0	0
Resources	Maintenance of replacement for Midas System		25	0
Resources	MOSAIC Licences	21	0	0
Resources	EDRMS - Document Management	70	0	0
Resources	Kent View Development	80	0	0
Resources	OS Mapping	40	0	0
Resources	Annual Funding Required to meet ex Direct Labour Organisation Pension Fund Liabilities	0	175	0
Dir-wide	IT Transformation for E&R	500	-350	-50
Dir-wide	Reserve in 2008/09 to support 2009/10 (on one-off basis)	262	-262	0
		<b>9,073</b>	<b>891</b>	<b>1,305</b>

## Draft of MTP for the Regeneration &amp; Supporting Independence Portfolio

<b>Regeneration &amp; Supporting Independence Portfolio - Draft Revenue Budget</b>				
		2008-09	2009-10	2010-11
		£000s	£000s	£000s
<b>Pay&amp; Reward:</b>	(Including Pension Uplift in 2008/09)			
All		<b>126</b>	<b>105</b>	<b>107</b>
<b>Prices:</b>	All	<b>7</b>	<b>8</b>	<b>8</b>
<b>Government/Legislative Pressures:</b>				
S&P	Minerals & Waste LDFs Development	-170	0	0
		<b>-170</b>	<b>0</b>	<b>0</b>
<b>Delivery of Towards 2010 Targets:</b>				
S&P	Feasibility Study on Lower Thames Crossing	0	-50	0
		<b>0</b>	<b>-50</b>	<b>0</b>
<b>Local Public Service Agreement:</b>				
	Allocation of Revenue element of PRG	<b>79</b>	<b>11</b>	<b>-90</b>
<b>Service Strategies and Improvements:</b>				
R&E	Produced In Kent (PINK)	120	0	0
R&E	Kent Empty Property Initiative	130	0	0
R&E	Staff Support to Non Food Crops Programme	40	0	0
R&E	Kent Partnership Economic Task Force	50	0	0
ALL	In-Year Management Plan (One-off Actions Correction)	159	0	0
		<b>499</b>	<b>0</b>	<b>0</b>

## Existing 2007/08 revenue budgets

These are the revenue budgets as they appear in the current divisional operating plans

	Full-time employees	Employee Costs	Running Costs	Contracts & projects	Gross Expenditure	External Income	Internal Income	Controllable Expenditure
<b>Change &amp; Development</b>								
Change & Development	9	280	5	0	285	0	0	285
<b>Regeneration &amp; Economy</b>								
Coastal Action Zone	10	514	21	369	903	0	0	903
Development Investment	8	394	16	25	435	25	120	290
Growth Areas	17	812	21	894	1,727	675	0	1,052
Economy & Skills	12	670	13	1,229	1,912	738	0	1,174
Rural regeneration	16	686	7	378	1,070	292	0	778
Tourism	9	341	14	645	1,000	250	0	750
Management	0	22	0	0	22	0	0	22
<b>Strategy &amp; Planning</b>								
Planning and Development	13	623	14	437	1,074	57	0	1,017
Planning Applications	26	945	222	0	1,167	80	388	699
Transport Strategy	6	250	6	203	459	0	0	459
<b>Environment &amp; Waste</b>								
Environment	124	4,069	150	3,039	7,258	3,805	0	3,452
Divisional Development	16	536	26	107	669	126	0	544
Waste Management	37	1,490	950	57,627	60,067	2,749	0	57,318
<b>Kent Highway Services</b>								
Total Staff	371	11,625	0	0	11,625	0	0	11,625
Overheads		0	7,614	0	7,614	5,698	70	1,846
Works		0	0	31,022	31,022	0	0	31,022
Public Transport		0	290	9,126	9,416	2,910	0	6,506
<b>Resources</b>								
Performance Team	11	558	7	0	565	0	0	565
Finance Team	23	811	5	0	816	111	0	705
AIT Team	19	670	201	0	871	197	0	674
E&R Directors plus Support	11	997	35	0	1,032	0	0	1,032
Directorate Overheads		513	662	0	1,175	104	55	1,016

(Note - 2007/08 business plan was constructed before structures and operational groupings had been determined)

**Budget timetable**

<b>What</b>	<b>Who</b>	<b>When</b>
Autumn Budget Statement	Cabinet	17 September
Opportunity for Cabinet Scrutiny to consider Autumn Budget Statement	Cabinet Scrutiny Committee	27 September
Public consultation on budget	Cabinet Member for finance, finance officers, MORI, district council representatives	22 & 29 September
Respond to formal consultation on formula grant changes	Budget IMG, Cabinet	10 October
Comprehensive Spending Review 2007 announced by government then analysis and interpretation for impact on KCC 2008-11	Cabinet	15 October <i>(timing not yet announced by government)</i>
Review of budget proposals and overall pressures, impacting upon the relevant directorates	Policy Overview Committees	7 – 20 November
Provisional Settlement – announcement by government and then analysis and interpretation for impact for KCC 2008-11	Financial Strategy Group – briefing for all members	Late November / early December <i>(timing not yet announced by government)</i>
Update on Provisional Settlement and review of corporate budget strategy (if announced - see above entry)	Cabinet	3 December
Chancellor of Exchequer Pre-Budget Report	Financial Strategy Group	December <i>(timing not yet announced by government)</i>
Budget proposals published and press conference	Cabinet	21 January
Review of budget proposals and overall pressures, impacting upon the relevant directorates	Policy Overview Committees	25 – 31 January
Final settlement for 2008-09	Cabinet	Late January/ early February <i>(timing not yet announced by government)</i>
Opportunity for Cabinet Scrutiny to consider proposed budget	Cabinet Scrutiny Committee	1 February
Cabinet recommends budget to Council	Cabinet	6 February
Council sets budget and precept	Council	19 February

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By: Roger Gough, Cabinet Member for Regeneration & Supporting Independence  
Adam Wilkinson, Managing Director for Environment & Regeneration

To: E&R Policy Overview Committee – 20 November 2007

Subject: Kent Regeneration Fund

Classification: Unrestricted

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Summary: To provide an annual report on bids made to the Kent Regeneration Fund and money spent to March 2007.

**For Information**

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**1. Introduction**

1.1 As agreed by Cabinet in April 2003, the Kent Regeneration Fund has access to up to 50% of the expected distribution from Kings Hill, up to a maximum of £1.5m per year.

Funding Available by Financial Year

2003-2004	£1,382,385
2004-2005	£1,375,000
2005-2006	£750,000
2006-2007	£1,500,000
2007-2008	£850,000 (Provisional forecast)
<u>Total</u>	<u>£5,857,385</u>

1.2 The Fund, which is drawn from the County Council’s own development proceeds, provides the capacity to:

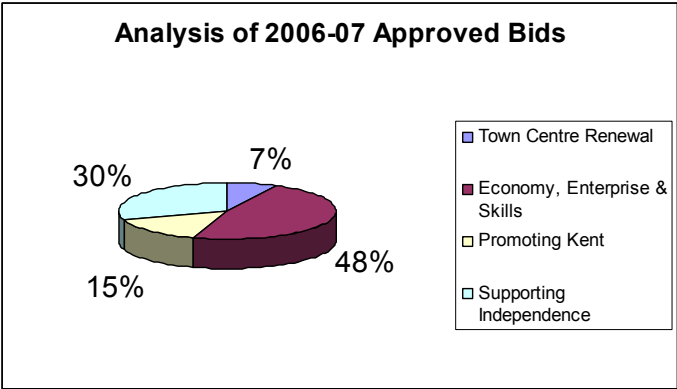
- pump prime investment from other sources,
- invest in key catalytic projects and lever in funding from other sources,
- unblock progress on key projects where swift action is needed
- develop innovative new ways to deliver strategic priorities and
- promote Kent as a destination for inward investment and tourism

1.3 The Kent Regeneration Fund is part of the wider financial strategy to secure economic growth and social infrastructure alongside the planned housing growth in Kent. Applications to the fund are invited in support of activities related to the Regeneration and Supporting Independence Portfolio.

**2 Fund Review**

2.1 2006-07 saw fewer new bids approved from the Kent Regeneration Fund than in previous years. This reflects a tightening in the criteria, including the requirement from October 2006 for new proposals to link to “Towards 2010” targets, as well as the fact that some funding is already taken up by projects approved in prior years.

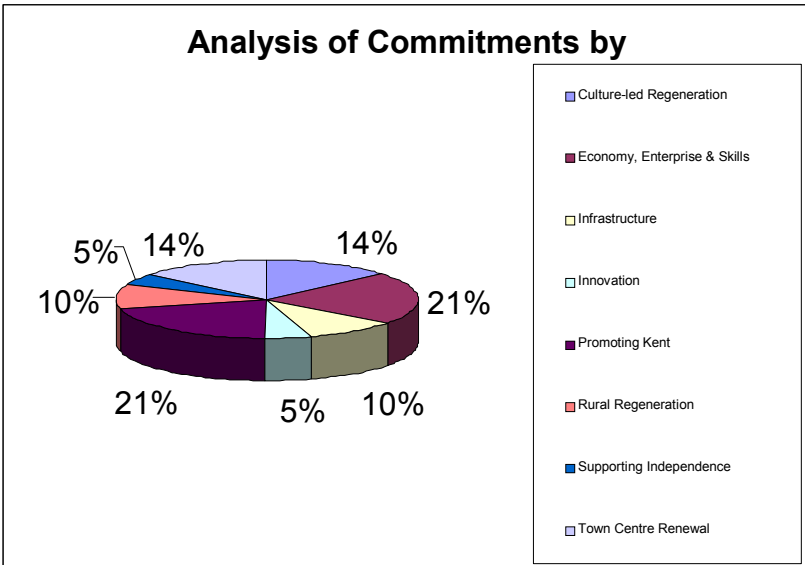
2.2 Eight new bids were approved in 2006-07 totalling £410,750. Of this sum, almost half was in support of new Economy, Enterprise & Skills projects and just under a third for Supporting Independence projects.



2.3 The Kent Regeneration Fund is scheduled to run to 31 March 2008, at which point its operation and possible continuation will be reviewed. Evaluation of current and completed projects to 31 March 2007 shows that monies have been allocated to the following areas:

Analysis of Commitments by Area (Current & Completed Projects)

<b>Culture-led Regeneration</b>	<b>£747,060</b>
<b>Economy, Enterprise &amp; Skills</b>	<b>£1,197,150</b>
<b>Infrastructure</b>	<b>£563,246</b>
<b>Innovation</b>	<b>£275,000</b>
<b>Promoting Kent</b>	<b>£1,156,897</b>
<b>Rural Regeneration</b>	<b>£550,500</b>
<b>Supporting Independence</b>	<b>£257,329</b>
<b>Town Centre Renewal</b>	<b>£783,166</b>
	<b><u>£5,530,348</u></b>



2.4 It is noteworthy that to date approximately 20% of the Kent Regeneration Fund has been allocated to International Portfolio projects including: Support to Kent International Airport – EUJet (£121,000); Consultancy Work - Transatlantic Flights into Manston (£50,000); Supporting Direct Flights Manston-Virginia (£150,000); Trade, Inward Investment &



Tourism - Virginia (£265,000); Tourism & Trade - Smithsonian Folklife Festival - Promotion & Underwriting (£225,416); USA Tourism Marketing Campaign (£50,000); Building Alliances with new EU Member States (£30,000); PASCAL Observatory (£50,000); The Development of a Network of Strategic Innovation Gateways (£70,000); Underwriting EBN Congress 2007 (£140,000); Underwriting for UK in Bound Convention in 2006 (£40,000).

2.5 A further 20% has been has been deployed into projects supporting activities in other KCC Directorates / Portfolios. Communities Directorate projects delivering notable regeneration impacts include: Preparation for the Olympics 2012 (£20,000); Dover Sea Sports Centre - a project of national as well as local significance (£250,000); and the provision of early marketing support to the Turner Contemporary project (£486,000). In Adult Social Services Directorate, early pump-priming for the Thameswood Supported Employment Project (£66,000) brought 23 people with a learning disability into permitted employment and 11 previously long-term unemployed into full time employment. In addition, 32,000 sq. ft of redundant industrial buildings have been utilised for the project and facilities furnished with £250,000 equipment. The Study & Pilot to Take Vocational Curriculum Forward (£50,000) delivered two complete programmes of the schools enterprise programme involving around 150 senior teachers and heads from across Kent. The programme was designed to equip teachers with the tools to run “breaking the barriers to entrepreneurship” programmes with pupils, supporting the core work led by Children, Families and Education Directorate.

2.6 Leverage is an important consideration. Project managers were asked to provide details of match funding achieved to support their projects and also to give (where possible) an indication of future regeneration benefits or investment that could be unlocked as a consequence of their projects. Analysis of completed projects, based on data provided by project managers, shows that overall the £2 million investment to 31 March 2007 has achieved a match funding gearing ratio of almost 1:5. The fund has exceeded expectations in terms of the wider benefits which might be delivered with a ratio of just over 1:22 across all projects.

<b>Completed Projects Spend 2004-2007</b>	<b>Match</b>	<b>Match funding ratio to original investment</b>	<b>Wider Benefits</b>	<b>Wider benefits ratio to original investment</b>
<b>£2,114,032</b>	<b>£10,071,500</b>	<b>4.76</b>	<b>£46,360,885</b>	<b>21.93</b>

2.7 For example, the project to provide SEGAS Grant Business Advisors (£50,000) brought in £270,000 grant to Kent businesses unlocking private sector capital investment of over £2 million and the creation of 57 jobs. The Archery World Cup event will raise the profile of archery within the county, and could be the precursor to further events up to 2012, which in turn will help to promote Kent’s potential as a national and international centre for archery and para-archery. It is also hoped that the event could underline Kent’s case as a 2012 preparation camp for archery. An independent appraisal undertaken through Grand National Archery Society has suggested that the event will be worth at least £0.5m to Dover’s local economy, with additional potential benefits to regeneration and inward investment. The significant longer-term benefits associated with the hosting the Tour de France also provides a good recent example.

2.8 During 2006-07, in accordance with the terms of the Fund, a total of £60,500 completed project underspend was returned to the Kent Regeneration Fund for reallocation to new projects. In the current financial year, approximately £70,000-£80,000 will be returned to the fund from the project to underwrite the hosting of the EBN (European Business Network) Congress in Kent in June 2007.

### **3 Progress Report**

- 3.1 This is the fourth annual progress report on the Kent Regeneration Fund and covers the period to 31 March 2007.
- 3.2 Attached are schedules providing an overview of bids approved or submitted for approval to the Kent Regeneration Fund and projects completed during 2006-07.
- 3.3 The application criteria for the fund are shown at paragraph 4 below.
- 3.4 A summarised version of this report and accompanying schedule will be taken to the Environment & Regeneration Policy Overview Committee on 20 November 2007.

### **4 Kent Regeneration Fund Application Criteria**

- 4.1 The following criteria set out the type of projects eligible for funding and the terms of the Kent Regeneration Fund, which must also be fulfilled if proposals are to be approved.

#### **4.2 Eligible Proposals**

- 4.2.1 Proposals will need to demonstrate links to projects, programmes and/or policy statements in the 'Vision for Kent' or 'Towards 2010' (from June 2006), the Supporting Independence Programme and 'Kent – What Price Growth?'
- 4.2.2 Proposals will be welcomed which support development in deprived areas and/or promote technical innovation and raising quality standards in relation to construction methods, environmental management, energy production/consumption and design. Support will also be considered for proposals attracting appropriate national pilots or demonstration projects to Kent.
- 4.2.3 Scoping studies and other forms of preparatory work will be usually agreed only where the substantive project has been identified as a priority and where the study is considering options for implementation rather than basic feasibility.
- 4.2.4 The Kent Regeneration Fund can be used to purchase expertise not available within KCC. KCC staffing costs will not normally be supported from the fund, although fixed-term contracts will be considered where this is more appropriate than using an external contractor.

#### **4.3 Terms of the Kent Regeneration Fund**

- 4.3.1 The Kent Regeneration Fund cannot be used to substitute existing budgets. It can be used for time-limited expenditure only, with no ongoing adverse financial implications for KCC base budgets.
- 4.3.2 Proposals should explore options to lever in other funding. Proposals should demonstrate a target 'gearing' of 1:5, either as a result of this money acting as the KCC contribution to directly match external funding, or as a result of initial investment unlocking subsequent development.
- 4.3.3 The Kent Regeneration Fund can be used to make upfront investment in a scheme, the cost of which is then recovered from others subsequently so that the Fund is reimbursed for the original investment.
- 4.3.4 Partners may submit proposals only if they match (1:1 or better) the KCC contribution being sought from the Kent Regeneration Fund and the 1:5 gearing then applies to that joint total.

4.3.5 No more than 15% of the Kent Regeneration Fund in any one year can be used for small-scale projects (those of £20k or less).

4.3.6 All project underspends will be returned to the Kent Regeneration Fund for allocation to new projects.

## **5 Recommendation**

5.1 To **note** the Kent Regeneration Fund progress schedule to 31 March 2007.

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By: Keith Ferrin, Cabinet Member for Environment, Highways & Waste  
Adam Wilkinson, Managing Director for Environment & Regeneration

To: Environment and Regeneration Policy Overview Committee – 20  
November 2007

Subject: Bus Policy

Classification: Unrestricted

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Summary: To set out the County Council's approach to buses set within a broad policy context.

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### **Recommendation**

Members are asked note the content of this report

### **Bus Policy**

#### **1 Introduction**

1.1 Kent County Council is aware of the importance of bus services to lives of many Kent residents and visitors. Bus services can be a life line for rural dwellers and do provide an important alternative to car travel in more urban areas. This key point is reflected in the Vision for Kent. The traditional image of the bus being for those without access to a car is slowly changing. This report sets out the County Council's approach to buses set within a broad policy context.

#### **2 National Context**

2.1 Bus services were de-regulated in 1986 under the terms of the Transport Act (1985). This act gives powers for Local Authorities to provide financial support for bus services which it deems socially necessary. The Transport Act (2000) retained deregulation but allows Transport Authorities to enter into more 'regulated' arrangements called Statutory Quality Partnerships and Statutory Quality Contracts.

2.2 Local Transport Plans require Transport Authorities to set out their bus policies in a Bus Strategy. Kent County Council's Bus Strategy is on display at this meeting.

2.3 Government has introduced a statutory right of those aged 60 and over to have Countywide free bus travel from 1 April 2008. This currently applies within District boundaries. Kent County Council currently brokers Countywide arrangements for District Councils.

### **3 Kent Context**

#### **Introduction**

- 3.1 Within Kent, over 80% of bus services operate commercially without any financial support from the County Council. The remaining part of the bus network receives funding from the County Council as socially necessary services for which it currently provides £7 million per annum.
- 3.2 The County Council does have significant influence over bus services which it does not support financially. It assists bus operators through improving journey times and congestion management. Infrastructure improvements have been delivered through Quality Bus Partnerships and the recent introduction of free travel for 11 – 16 year olds in two pilot areas is already reducing congestion in the pilot areas.

#### **County Council Influence**

- 3.3 New development can have a major influence on bus services. This is the case in Kent Thameside and Ashford where bus based schemes such as Fastrack and Smartlink will be crucial in influencing the modal shift required to manage congestion. The County Council will continue to work closely with Developers using the Kent Design Guide to ensure that new developments make adequate provision for good quality bus links and associated infrastructure.
- 3.4 The County Council has influenced the introduction of over 300 school travel plans. This work has led to increased use of public transport together with other initiatives such as walking buses. The introduction of free travel for all 11 – 16 year olds in Canterbury, Tonbridge and Tunbridge Wells will be introduced to the rest of Kent by 2009. This policy is already demonstrating a reduction in car trips to school.
- 3.5 The regeneration of urban areas is a key driver for the County Council. There is strong evidence to demonstrate that bus services can play a major role in the regeneration process. For example, in Thanet, the Thanet Loop which was created through a Government / Local Authority / Stagecoach funded partnership, is providing important links between the Thanet towns and to the QEQM hospital. This service is important in the provision of transport links to employment, health care and leisure facilities. The Council Council's Supporting Independence Programme was a key driver in the creation of this service.
- 3.6 A key target within the County Council's Towards 2010 agenda is 'Keeping Kent Moving'. A variety of initiatives are designed to manage congestion and provide better information for road users. Bus priority measures are important in this context as modal shift in urban areas is an important element in the reduction of private car journeys.
- 3.7 Quality Bus Partnerships are an important tool in the improvement and vitality of local bus services. Bus service patronage increased by 15% between 2001 – 06 against a trend of negative growth in the UK

generally. Partnerships exist in Maidstone, Dover, Canterbury and Thanet and work is progressing for a similar arrangement in Ashford. Major investment in new vehicles has been secured by the Arriva and Stagecoach group with a step change in the accessibility of bus services for people with mobility impairments. Improvements to the safety and security of bus passengers have been secured through the introduction of CCTV in many buses throughout Kent. Better integration with trains has been achieved with the launch of the Plus-bus through ticket arrangements in early 2007. These improvements are the bedrock for Kent County Council being awarded Transport Authority of the Year in November 2007.

#### **4 Funding of Bus Services**

4.1 Although over 80% of bus routes operate without direct financial support, the public transport network in Kent does receive over £60 million per annum through the purchase of socially necessary services, home to school transport and services that are funded through Section 106 Developer contributions.

4.2 The County Council provided £5 million per annum to support bus routes which are socially necessary but not commercially viable. Government provides a further £2 million as grant for the provision of rural bus services. The County Council receives many requests to support local bus services so it has developed criteria to ensure that the services it does support provide good value and meet the key travel requirements of a local community. A service that is not commercially viable will receive priority for support where it meets one or more of the following access criterion;

- Health
- Learning
- Food shopping
- Employment

In addition to the above criterion, services, which operate on Sundays, and evenings are deemed to have the lowest priority. A limit of £3 per passenger subsidy is in place but Members recognise that rural services cannot be measured by cost alone so some flexibility on this level is provided.

4.3 Routes supported through the socially necessary budget to provide key links to local services, particularly school and employment. Through the fully accessible Kent Karrier dial-a-ride network, a lifeline is provided for disabled people to go to services and facilities which would otherwise be unavailable. Such routes are very expensive to provide and typically cost more than £10 per passenger to support. However, the social interaction provided for people with disabilities is so important that the Kent Karrier network cannot be judged on cost alone.

4.4 The home to school transport budget is in excess of £40 million per annum including the new Kent Freedom scheme for 11-16 year olds. This funding is targeted in a number of ways. The highest single element

is funding for school transport for those with special educational needs. Local taxi companies provide much of this transport. There is a major overlap between the mainstream school transport and the local bus network. School services are either bought as a contracted service, not generally open to the public, or via the existing public service through the purchase of seats for students. This is often a mutually beneficial way in cost terms of providing school transport. Nevertheless, the County Council is always looking at ways of better integrating school transport and this is a key role of the Transport Integration Unit under Commercial Services.

- 4.5 There is significant new development planned for or already taking place in Kent. Substantial planning applications such as Eastern Quarry in Kent Thameside provide significant funding for bus services in order to ensure that issues of traffic congestion are addressed. The Fastrack service in Kent Thameside and Smartlink in Ashford will be heavily reliant on developer funding for a number of years until full viability is attained. High quality bus services are essential to ensure that planned modal shift is actually achieved.
- 4.6 Each year, the County Council receives a capital funding allocation from Government for a Transport and Safety Package Programme. The level of funding is partly dependent upon the progress a Transport Authority makes against key Local Transport Plan targets. This year, Kent County Council received £9.5 million including reward grant of over £ 2 million for an excellent delivery report. Key targets in this context include increasing bus patronage, improving access to services and improving road safety.
- 4.7 Free travel on bus services is now available to people aged 60 and over. From April 2008, this scheme will provide a national facility. The introduction of free travel has been difficult. Many District Councils across the UK believe that the scheme has not received sufficient funding and in some cases, have been required to make up the difference from their own resources. Even though a national scheme is only four months away, we are still awaiting details from DfT which is concerning bus operators and local authorities alike. It is a shame that poor planning and implementation have overshadowed a sound concept.
- 4.8 Kent County Council launched its Freedom scheme for 11-16 year olds in June 2007 giving free travel on all Kent local bus services. This will be expanded in 2008 with a planned full rollout in June 2009. Major benefits on reducing car trips and access to leisure and facilities and after school clubs have already been demonstrated.

#### **4.8 Conclusion**

The Bus Strategy for Kent sets out the County Council's aspiration to improve the Kent bus network. The County Council works very closely with public transport operators in order to achieve maximum benefits from the comprehensive mix of bus and train services that exist in Kent. It is important that the County Council takes key role in the building of



partnerships to ensure that a vital bus network can operate with minimal direct public funding. This is achieved through enabling buses to operate effectively and efficiently in urban areas without getting caught up in congestion which leads to unreliability and loss of confidence. Quality Bus Partnerships are hugely important in this regard and will enable the County Council to influence the transfer of some trips from car to bus particularly in urban areas. The County Council will continue to provide financial support to provide access for disabled people and those without access to a car. It will continue to support concessionary travel schemes for students and Senior Citizens.

#### **4.9 Recommendation**

Members are asked to note the content of this report.

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By: Overview and Scrutiny Manager

To: Environment and Regeneration Policy Overview Committee  
20 November 2007

Subject: **SELECT COMMITTEES - UPDATE**

Classification: Unrestricted

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Summary: This report updates Members on the Select Committee for Flood Risk and the Select Committee Topic Review Work Programme.

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Recommendations:

The Committee is asked to:-

- (a) Note the outcome of the work of the Select Committee for Flood Risk;
  - (b) Note the Minutes of the reconvened meeting of the Select Committee for Water and Wastewater, particularly in Ashford; and
  - (c) Note the update on the Select Committee Topic Review Work Programme.
- 

**Select Committee: Flood Risk**

1 Following the last meeting of this Committee the Overview and Scrutiny Manager received approval on the Terms of Reference for the Select Committee for Flood Risk (as attached) by the Chairman, Vice-Chairman and Liberal Democrat Spokesman of this Committee. The Select Committee for Flood Risk Chaired by Mrs Hohler, completed its work at the end of September and its report and recommendations will be submitted to the meeting of the Cabinet held on 26 November for approval. Copies of the Executive Summary and the Report are available from the Democratic Services Team.

**Select Committee: Water and Wastewater, particularly in Ashford**

2. (1) The Select Committee for Water and Wastewater, particularly in Ashford met on 31 October 2007 to discuss the progress made on the recommendations from this Select Committee Topic Review, produced as a report by Mr Alan Turner, Principal Regeneration and Projects Officer.

(2) The Minutes of the meeting are to follow. Members will note that the majority of the recommendations have been achieved.

**Topic Review Work Programme Autumn 2007 – Spring 2008**

3. (1) The Policy Overview Co-ordinating Committee at its meeting held on 5 November 2007, agreed the following topics for the work programme for Autumn 2007 to Spring 2008. **Accessing Democracy** should be the next Select Committee Topic Review to be started, the **Vulnerable Children**, Select Committee should be

commenced as and when resources become available in early 2008 and the dedicated NHS Research Officer resource would be supporting a review into aspects into **Accessing Health Care**.

### **Potential Two Year Work Programme**

4. The Policy Overview Co-ordinating Committee also agreed that when setting the Select Committee Work Programme, the period for the County Council meeting in July to the end of August would not be included within the Programme, although it was acknowledged that this period could be used for drafting reports and carrying out research.

5. There was agreement to remove the following three Topics from the Select Committee Work Programme:-

(i) **Developing The Creative Curriculum**

(ii) **Young People's Spiritual, Moral, Social and Cultural (SMSC) Development, Values Based Educational Behaviour;**

(iii) **Consultation and Participation with Young People (Student Voice);**

(1) However, if these Topics were still current and relevant, a bid for these should be made to the February meeting of Policy Overview Co-Ordinating Committee.

(2) The potential Topic of **Provision of Activities for Young People** would be considered further at the February meeting of the Policy Overview Co-ordinating Committee with an updated assessment form.

### **Recommendations**

6. The Committee is asked to:-

- (a) note the outcome of the work of the Select Committee for Flood Risk;
- (b) note the Minutes of the meeting for the Select Committee for Water and Wastewater, particularly in Ashford; and
- (b) note the update on the Select Committee Topic Review Work Programme.

Christine Singh  
01622 694269  
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Background Information: *Nil*

Note of the IMG group to discuss KCC's response to consultation on the Kent Area Plan for Post Office closures.

30<sup>th</sup> October 2007

Present:

Roger Gough

Roger Truelove

Charles Hibberd

Liz Harrison, Rural Regeneration Manager

Apologies:

Bill Hayton

Ian Chittenden

Members asked that the following key areas were highlighted in the KCC response:

- The lack of transparency
  - There is a lack of information in the public domain concerning the data that had been used to judge which post offices should close e.g. the precise scoring criteria, footfall etc
  - This makes it difficult for all to scrutinise.
  - Concern was also raised about the lack of transparency concerning where the £4 million a week losses for Post Office Ltd are coming from.
  - It was felt that Post Office should make further information publicly available for scrutiny to ensure that a sound and robust rationale exists to justify the proposed changes and the wider Network Change Programme.
- Data deficit and gaps
  - Gaps in readily available data has made it difficult for certain impacts to be taken on board, especially concerning the impact on the local economy.
  - The six week consultation period and short timescale for implementing closures does not provide sufficient time for a robust analysis to be undertaken to address these gaps (by any party)
  - The Analysis and Information Team are reviewing data sets to see what can be obtained from existing data.
- Failure to identify any outreach provision for Kent
  - There is great concern that no additional outreach provision has been identified for Kent within the area plan – or additional funding/ an adequate timescale for communities or local authorities to develop alternative delivery arrangements.

- Cash Access
  - The impacts regarding cash access for those living in areas where the Post Office represents the sole means of withdrawing cash free need to be highlighted – both in rural and suburban areas.
  - Closure of a post office in rural areas often leads to the withdrawal of financial services from rural areas as many banks have already closed rural branches.

#### Actions

- To ensure fairness to all communities affected, it was proposed that KCC's response should focus on the overarching concerns, with the feedback and correspondence from communities documented in an accompanying appendix. All members are to be contacted by Roger Gough to encourage them to supply additional evidence by the 5<sup>th</sup> November and ensure the most inclusive approach.