

To: Environment, Highways and Waste (EHW) Policy Overview and Scrutiny Committee – 4 November 2010

By: Nick Chard, Cabinet Member and Mike Austerberry, Executive Director

**Subject: BUDGET 2011/12 AND MEDIUM TERM FINANCIAL PLAN 2011/12 TO 2012/13**

Classification: Unrestricted

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**Summary:** This report identifies the proposed strategy for determining next year's budget and the financial plans for the following year. This includes an initial analysis of Spending Review 2010, the likely impact on the overall funding for KCC, the indicative cash limit for the EHW portfolio, and the latest indications of likely pressures facing the EHW portfolio.

**Recommendation:** Members are asked to review and comment on the pressures outlined for the EHW portfolio and to identify their priorities in order to meet the indicative cash limit.

## **FOR COMMENT**

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### **1. Introduction**

- 1.1 The Autumn Budget Statement is due to be presented to Cabinet on 29<sup>th</sup> November 2010 and will set out the proposed budget strategy following the Spending Review announcement on 20<sup>th</sup> October. Even after the Spending Review announcement we will not know the full impact on the County Council's grants until we get the provisional Local Government Finance settlement. Indications are that we will not receive this settlement information until early December.
- 1.2 The Spending Review and Local Government Finance announcements will give us the final detail but we have been planning based on a likely scenario of a 5% per annum reduction in cash terms in Government grants. This assumption was based on the Chancellor's statement in his emergency budget that unprotected spending departments should plan for a 25% reduction in real terms from the forthcoming spending review.
- 1.3 The overall position for the County Council was that we estimated the combination of reduced grant allocations and demands for budget pressures would amount to a gap of £340m over the next four years. The gap for the next two years was estimated at £136m.

## 2. Background

- 2.1 Provisional cash limits for 2011/12 and 2012/13 were approved by the County Council on 18<sup>th</sup> February 2010 in the Medium Term Plan (MTP) for 2009/12. The approved MTP for the EHW portfolio is included as appendix 1. These provisional cash limits will be updated for known changes such as transfers of activities or staff between portfolios and identified as base budget adjustments in monitoring reports.
- 2.2 We are proposing that the provisional cash limits are updated for unavoidable pressures. These may be new pressures, changes to pressures identified in the existing published MTP, or resisting previously identified pressures. In all cases the amounts included as budget pressures have been thoroughly scrutinised to ensure only legitimate unavoidable pressures have been included in cash limits. Any pressures arising from individual portfolio proposals which are not unavoidable will have to be met within existing cash limits through corresponding savings elsewhere in the portfolio.
- 2.3 Portfolios have been set targets for budget savings via the indicative cash limits on a priority-led basis to target savings according to highest relative spend and KCC priorities for services as outlined in the consultative document "Bold Steps for Kent". In setting these targets we have been clear that we need to drive out as much as possible from efficiency savings. These indicative cash limits are intended to give members and officers an indication of the magnitude of the savings needed in order to close the £136m gap and will be revised before the draft budget is published to take account of the specific proposals contained therein.
- 2.4 The revised indicative cash limit for the EHW portfolio is summarised in table 1 below.

<b>Table 1</b>	<b>2011/12</b>	<b>2012/13</b>	<b>Total</b>
	<b>£000s</b>	<b>£000s</b>	<b>£000s</b>
<b>Existing Approved MTP</b>			
Base	151,261	150,232	<b>151,261</b>
Base Adjustments	<b>-695</b>	0	<b>-695</b>
Pressures	5,660	5,881	<b>11,541</b>
Grants	0	0	<b>0</b>
Savings & Income	<b>-4,186</b>	<b>-1,633</b>	<b>-5,819</b>
<b>Total Existing MTP</b>	<b>152,040</b>	<b>154,480</b>	
New Base Budget Adjustments	<b>-343</b>	0	<b>-343</b>
New & Changed Pressures	3,878	1,000	<b>4,878</b>
Savings Target	<b>-5,343</b>	<b>-6,243</b>	<b>-11,586</b>
<b>Proposed Cash Limit</b>	<b>150,232</b>	<b>149,237</b>	

### 3. Latest Developments: National Context

- 3.1 The outcome of the Spending Review 2010 was announced on 20<sup>th</sup> October and set out the Government's national spending plans for 2011/15. The Spending Review gives us an overall indication of the Government's spending priorities by department but does not give us detailed grant settlements. We are anticipating provisional grant settlements in early December.
- 3.2 The overall spending plans are in line with the reductions outlined in the emergency budget in June and the spending review gives us a clearer indication which departments are to be protected and when reductions will start to bite for different Government departments. The announcements on Formula Grant for local authorities show that the reductions are front loaded with the biggest reductions in 2011/12.
- 3.3 Other than Formula Grant (which now includes the transfer of Area Based and specific grants into the Formula Grant) we do not have any information on the scale of reductions in other government grants or when the reductions might hit. At this stage we are assuming these reductions will be in line with ministerial statements on the average reduction.
- 3.4 The Spending Review announcement includes a confusing comparison of cash reductions in Government Department spending (referred to Department Expenditure Limits) and quoted real terms reductions in grants. Ministers have stated that councils will face an average loss of grant of 7.25% in real terms in each of the next 4 years, although we are concerned that the front loading of reductions in Formula Grant will mean that this average could disguise in year differences. The impact of distributional changes as Area Based and specific grants are transferred into the formula (as well as changes to the formula methodology) are also likely to result in further variations from this average for individual authorities.
- 3.5 As outlined in paragraph 3.2 we do know the cash reductions in Formula Grant. This shows a reduction of £4.1bn over the next two years (14.4%) and £5.6bn over the four years (19.6%). These reductions **include** the extra £1bn for personal social services and the £0.7bn Council Tax Freeze Grant.
- 3.6 In summary the Spending Review has confirmed the following changes to the national funding arrangements for local government:
  - The overall reduction in grants to councils of an average of 7.25% in real terms in each of the next 4 years.
  - Reduction in the baseline Formula Grant of £7.2bn in cash terms over the next four years but with savings front loaded into 2011/12. This equates to a 29.2% reduction in cash terms (35.6% real terms) over four years with 22.4% cash reduction (25.6% real terms) in the first 2 years

- A transfer of £3.4bn of Area Based and Specific Grants into Formula grant is expected. These transferred grants are subject to differential increases or reductions over the two/four year period which marginally change the overall reductions
- The allocation of a new £1bn grant for Social Services within the Formula Grant (with a further £1bn to be administered as a specific grant from Department of Health)
- The allocation of a new £0.7bn grant to honour the pledge to support councils in freezing Council tax increases for 2011/12. This grant provides funding for the four year period and thus earlier fears that a freeze would not be sustainable have been alleviated for this spending review period.

3.7 Over the last 2 years inflation declined initially in the wake of the recession in autumn 2008/winter spring 2009 but has been rising since autumn 2009 and has only recently started to decline marginally. Throughout the period other than for a brief period in summer 2009 inflation has exceeded the Government's 2% target for CPI. Inflation remains as one of the most significant pressures on our budgets and resisting inflationary pressures through negotiating with suppliers remains a key strategy to balance the budget.

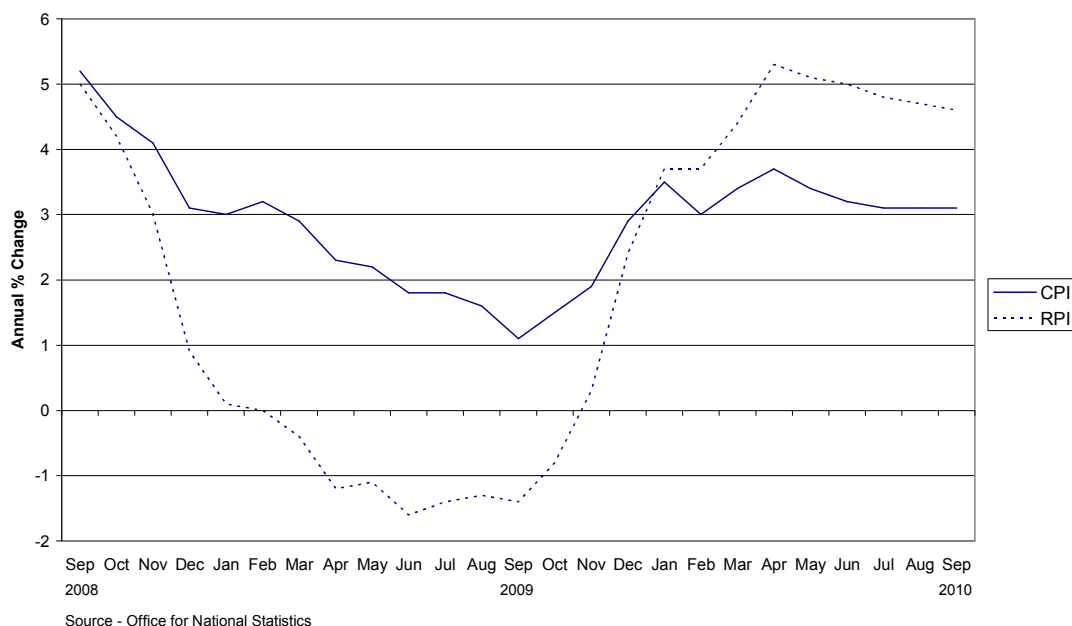
3.8 There are different indices used to measure inflation which enable an annual rate of underlying inflation to be calculated:

Retail Price Index (RPI) – This is the traditionally accepted measure for inflation and has been calculated continuously since June 1947. In the past it has been used by the government to update pensions, benefits and index-linked gilts. However, in his Emergency Budget the Chancellor announced that in future all benefits, tax credits and public sector would be updated by CPI rather than RPI (with a guaranteed increase of at least 2.5% for state pensions). RPI is still commonly used to update contracts, and is often taken into account in wage bargaining

Consumer Price Index (CPI) – This is the measure now adopted by Government for targets on the economy. It is based on harmonised consumer index prices (HCIP) and enables comparison on internationally agreed standards throughout Europe. It does not include mortgage interest or indirect taxes but does include some financial services not included in RPI.

Beneath the headline figures for RPI and CPI there are detailed indices for individual areas of spending such as energy, housing, food, etc. We use projections of the detailed indices in determining inflationary pressures rather than the general all items index (for some contracts we use specific indices where these are written into the contract terms).

- 3.9 The chart below shows the changes in the all items indices of inflation over the last 2 years.



#### 4. Revenue Budget Strategy

- 4.1 Following the Spending Review announcement we have reviewed our assumptions about the overall gap. We remain confident at this stage that our overall strategy for a gap of £340m over four years is still realistic. However, in light of the front loading of the reductions in Formula Grant we are now estimating that the magnitude of savings needed to balance estimated grant reductions and pressures for 2011/12 and 2012/13 is £153m. At this stage this revision to the targets for the first two years has not been reflected in the indicative cash limits subject to confirmation of provisional grant settlements in early December.
- 4.2 To stay within the indicative cash limit, the EHW directorate is looking to maximise its efficiencies and resist pressures wherever possible. Driving prices down with contractors is at the forefront of the efficiency improvements and recent re-letting of Waste contracts has been very successful in delivering reduced costs. The re-procurement of the highways term maintenance contract (September 2011 start) is also expected to contribute to improved value for money.
- 4.3 The Directorate is resisting pressures, not only by driving improvements from contractors but also from innovative cost avoidance projects such as the East Kent joint waste project. This project diverts waste from expensive landfill and utilises recycle values where possible and is expected to deliver significant savings and avoided costs.
- 4.4 Alongside this the Directorate will be reviewing its staffing levels and will be looking to streamline the back office and reduce management layers.

- 4.5 Efficiency will not be enough unfortunately to cover all of the savings required and there will need to be some service reductions. Our approach here is to review all of our functions and propose reductions to those services that are considered to provide the least added value.

## 5. The current budget and medium term priorities

- 5.1 The current budget for the portfolio(s) under the oversight of this POSC is as follows:

	Gross spend £'000	Income £'000	Net spend £'000
Portfolio controllable	174,758	-23,155	151,603

Further detail is outlined in Appendix 1.

- 5.2 In very brief summary this budget provides for the following outcomes, outputs and/or service improvements:

- Highways maintenance
- Public transport
- Road safety
- Traffic management
- Waste disposal
- Environment including public rights of way, country parks, heritage services, flood risk management and climate change response
- Strategic planning (including transport planning)
- Planning applications

Further detail is outlined in Appendix 2.

- 5.3 As reported in the quarterly monitoring reports there are spending pressures/savings in the following areas:

- Waste contract inflation +£1.1m
- Waste forecast reduced tonnage -£1.7m
- Freedom Pass take-up and usage +£0.5m

Further detail is outlined in Appendix 3.

- 5.4 As outlined in the proposed cash limits we are proposing to provide additional funding of £9.5m for 2011/12 and £6.9m for 2012/13 to cover unavoidable pressures including the following:

- General price inflation on waste contracts, highway maintenance, transport and energy (£8.7m)

- Landfill tax escalator of an additional £8 per tonne per year (£3.6m)
- Increased take-up and usage of the Freedom Pass (£0.9m)
- Expected shortfall on the funding required for the transfer of the concessionary fares scheme from Districts to the County Council (£2.5m)

## **6. Recommendation**

### 6.1 Members are asked to

- (i) note the latest information arising from the Spending Review 2010
- (ii) comment on the proposed additional funding for pressures included in the indicative cash limits and outlined in paragraph 5.4
- (iii) identify priorities for delivering the indicative cash limits

*Contact officer: Richard Hallett, Head of Finance and Resources (x4035)*

## Appendix 1—existing 2010/13 Medium Term Plan and 2010/11 revenue budget

<b>Environment, Highways &amp; Waste Portfolio Revenue Budget</b>				
	Staffing FTE	2010-11 £'000	2011-12 £'000	2012-13 £'000
<b>Base budget</b>		<b>150,681</b>	<b>151,261</b>	<b>152,040</b>
<b>Base Budget Adjustments - Internal</b>		-339	-695	0
<b>Revised Base Budget</b>		<b>150,342</b>	<b>150,566</b>	<b>152,040</b>
<b><u>PRESSURES:</u></b>				
<b>Prices:</b>				
All	Transport	574	594	615
All	Gas & Electricity	0	531	991
All	Waste	1,216	1,387	1,468
All	Highways	923	921	955
All	Other	11	8	0
		<b>2,724</b>	<b>3,441</b>	<b>4,029</b>
<b>Unavoidable Government/Legislative Pressures:</b>				
Waste	Landfill Tax Escalator (+£8 per tonne)	1,832	1,818	1,802
ENV	Flood risk management	60	0	0
Planning	Local transport plan	55	-55	0
	<b>Total Unavoidable Government/Legislative Pressures</b>	<b>1,947</b>	<b>1,763</b>	<b>1,802</b>
<b>Demand/Demographic Led:</b>				
Waste	Reduction in budgeted waste tonnage	-1,343	0	0
	<b>Total Demand/Demographic Led</b>	<b>-1,343</b>	<b>0</b>	<b>0</b>
<b>Service Strategies &amp; Improvements:</b>				
KHS	Streetlighting (financing costs of prudential borrowing)	163	0	0
KHS	Highway Maintenance (financing costs of prudential borrowing)	360	260	0
KHS	Traffic Management Centre	60	136	50
Waste	Lydd / New Romney extended HWRC service	0	160	0
KHS	Extend Freedom Pass	170	0	0
Waste	North Farm leachate control	100	-100	0
	<b>Total Service Strategies &amp; Improvements</b>	<b>853</b>	<b>456</b>	<b>50</b>
<b>Total Pressures</b>		<b>0.0</b>	<b>4,181</b>	<b>5,660</b>
			<b>5,881</b>	

## Environment, Highways & Waste Portfolio Revenue Budget

	Staffing FTE	2010-11 £'000	2011-12 £'000	2012-13 £'000
<b><u>SAVINGS AND INCOME:</u></b>				
<b>Income Generation:</b>				
Env	Country parks	-40	-45	-50
<b>Total Income Generation</b>		<b>-40</b>	<b>-45</b>	<b>-50</b>
<b>Savings and Mitigations:</b>				
Resources	Further Resources staff reductions	-8.0	-337	0
Planning	Streamline integrated strategy and planning staffing	-2.0	-82	0
KHS	Overhead efficiencies through delayering and streamlining	-47.0	-560	-891
Env	Staff savings	-5.0	0	-160
KHS	Premises rationalisation		-132	0
KHS	Highways maintenance		-2,441	0
Waste	Reduction in disposal tonnage due to behaviour awareness campaigns		-806	0
KHS	End of T2010 target to improve integration between public transport services		-50	0
Waste	End of T2010 target for a Clean Kent Campaign		-250	0
Resources	Better targeting of spend on Property Maintenance		-15	0
KHS	Reversal of last year's plan to convert revenue support for socially necessary but uneconomic bus routes to a capital (IT) grant		1,518	0
CED Delegated				
All CED	Services provided by CED		-67	-71
	Target reduction in net spend		0	-3,019
<b>Total Savings and Mitigations</b>		<b>-3,222</b>	<b>-4,141</b>	<b>-1,583</b>
<b>Total Savings and Income</b>		<b>-62.0</b>	<b>-3,262</b>	<b>-4,186</b>
<b>Budget controlled by this portfolio</b>		<b>-62.0</b>	<b>151,261</b>	<b>152,040</b>
			<b>156,288</b>	

# ENVIRONMENT, HIGHWAYS & WASTE

## REVENUE SPENDING

2009-10		2010-11			Executive Director	
Spending Plans £'000	Spending Plans	Gross £'000	Income £'000	Net Cost £'000		
51,297	Kent Highway Services Group	61,136	-9,835	51,301	Managing, improving and maintaining approximately 8,500km of roads, 6,000km of footways, 2,750 structures and 125,000 street lights. Integration of travel needs, optimising maintenance spending, reducing road casualties, improving transport infrastructure.	MA
17,091	Public Transport Contracts Group	20,899	-2,977	17,922	Support of socially necessary but uneconomic bus services and free bus travel for all 11-16 year olds ("Freedom Pass").	MA
67,592	Waste Management Group	69,906	-1,973	67,933	Managing the disposal of approximately 760,000 tonnes of household waste.	MA
4,166	Environmental Group	9,574	-4,830	4,744	Maintenance, enhancement and ensuring access to a healthy & diverse Kent environment.	MA
850	Strategic Management	850		850	Directorate senior management and their support team.	MA
5,646	Resources	4,951	-129	4,822	Provides Finance, Health and Safety, Risk and Performance Management, Information Governance, Learning & Development, Business Plans and CAA lead. Contains budgets for pensions (£785k), training and office running costs and LINK (£472k).	MA

# ENVIRONMENT, HIGHWAYS & WASTE

## REVENUE SPENDING

2009-10		2010-11			Executive Director	
Spending Plans £'000	Spending Plans	Gross £'000	Income £'000	Net Cost £'000		
470	Transport Strategy Group	503		503	Creation, consultation and Promotion of the Local Transport Plan.	MA
709	Planning Applications Group	1,134	-477	657	Dealing with around 350 planning applications per year.	MA
701	Planning & Development Group	770	-15	755	Consultation on & development of major strategies.	MA
2,159	Support Services purchased from CED	1,774		1,774	Property, Finance, HR and ISG support services purchased from CED.	MA
<b>150,681</b>	<b>Budget Controlled by this Portfolio</b>	<b>171,497</b>	<b>-20,236</b>	<b>151,261</b>		
	<b>PLUS:</b>					
	Budgets controlled by other portfolios:					
3,561	♦ Central costs	6,022		6,022		
	♦ Devolved budgets					
	♦ Service costs					
31,181	Charges for using capital assets	34,205		34,205		
<b>185,423</b>	<b>TOTAL SERVICE COSTS</b>	<b>211,724</b>	<b>-20,236</b>	<b>191,488</b>		
<b>Staff Numbers (FTEs)</b>					<b>634</b>	
<b>Why the budget has changed</b>					<b>£'000</b>	
♦ Changes in responsibilities					-339	
♦ Inflation and rising costs					2,724	
♦ We have changed spending on:						
♦ Government/Legislative pressures					1,947	
♦ Demand led					-1,343	
♦ Service strategies & improvements					853	
♦ We have income generation of:					-40	
♦ We have made savings of:					-3,222	
<b>TOTAL</b>					<b>580</b>	

# HOW THE MONEY IS SPENT

## REVENUE SPENDING

2009-10		2010-11
Spending		Spending
Plans		Plans
£'000		£'000
<b>Employee Costs</b>		
24,732	Salaries and Wages	25,421
785	Pension and Severance Payments	895
248	Training Expenses	254
123	Other Employee Costs	64
<b>25,888</b>	<b>Total Employee Costs</b>	<b>26,634</b>
<b>Premises Costs</b>		
578	Repairs, Alterations and Maintenance	274
75	Energy Costs	118
532	Rent	327
564	Rates	685
208	Other Premises Costs	196
<b>1,957</b>	<b>Total Premises Costs</b>	<b>1,599</b>
<b>Transport Costs</b>		
51	Vehicle Running Costs	49
429	Hire and Pool Car Charges	517
0	Home to School / College Transport	0
	Public Transport (Clients)	0
817	Members and Staff Car Allowances and Travel Expenses	653
<b>1,296</b>	<b>Total Transport Costs</b>	<b>1,218</b>
<b>Supplies and Services</b>		
2,420	Equipment, Supplies and Transfer Payments	1,882
0	Book Fund	0
859	Communications and Computing	1,321
48	Members and Staff Expenses (Excl. Travel)	31
160	Grants and Subscriptions	172
2,278	Levies and Other Costs	2,699
0	Free School Meals	0
0	Social Services Payments	0

# HOW THE MONEY IS SPENT

## REVENUE SPENDING

2009-10		2010-11
Spending		Spending
Plans		Plans
£'000		£'000
230	Professional Fees	245
0	Service Agency Agreements	0
0	PFI Development Costs	0
<b>5,995</b>	<b>Total Supplies and Services</b>	<b>6,349</b>
<b>Third Party Payments</b>		
39,717	Highways Contracts	40,780
65,734	Waste Contracts	66,951
19,491	Transport Contracts	20,570
	Social Care Contracts	0
2,227	Other	1,612
<b>127,169</b>	<b>Total Third Party Payments</b>	<b>129,913</b>
7,894	Central Support Costs & Internal Recharges	10,549
31,181	Capital Financing Costs	34,205
163	Capital Expenditure Financed by Revenue	1,060
144	Contribution to/from(-) Reserves	197
<b>201,687</b>	<b>GROSS EXPENDITURE</b>	<b>211,724</b>
<b>Income</b>		
-1,835	Contributions	-1,216
-1,057	Sales	-1,251
-6,999	Fees and Charges	-8,533
-1,175	Other Income	-2,587
-4,676	Internal Income	-5,444
<b>-15,742</b>	<b>Total</b>	<b>-19,031</b>
-522	Specific and Supplementary Grants	-1,205
<b>-16,264</b>	<b>TOTAL INCOME</b>	<b>-20,236</b>
<b>185,423</b>	<b>NET EXPENDITURE</b>	<b>191,488</b>

## Appendix 2 – Activity and output data – what the current budget “buys”

### Kent Highway Services Group

- Maintaining the 8,000km network of county roads, and 12.6million square metres of footways
- Maintaining 2,750 bridges and structures (plus inspection of 1300 other bridges and structures), 125,000 street lights, 134,000 traffic signs and bollards, 331,000 drainage gullies, 4.8 million metres of piping, 500,000 trees, 2,800km of road markings, 238km of safety barriers, 6,800 soakaways and 14 million square metres of grass.
- Statutory safety inspections by Technical Services staff
- Reduce road casualties by altering and improving roads, and driver behaviour
- Improving road safety through carefully targeted promotional campaigns and road safety education
- Improving roadworks co-ordination through the Permit Scheme and publishing information about roadworks concerning location, duration and alternative routes
- Monitoring and managing traffic through the Traffic Management Centre and providing up to date information on congestion hot spots
- Carrying out routine inspections, and effective & efficient maintenance to 635 no. traffic signal locations (15,000 traffic lights)
- Undertake the detail design and delivery of Local Integrated Transport, Crash Reduction and maintenance schemes within KHS.

### Public Transport Contracts Group

- Improving public transport quality and information by working with bus operators
- Financially supporting around 220 socially necessary but uneconomic bus routes
- Working with bus and rail industries to better integrate bus and train travel
- Working with developers to ensure there is an appropriate transport infrastructure to new developments
- Working with schools and business to develop travel plans.
- Working with District Councils to ensure that transport solutions support local development
- Provide free bus travel for young people aged between 11 and 16 under the Freedom Pass scheme.

Waste  
Management  
Group

- Management and supervision of contracts for the recycling, treatment, and disposal of Kent's municipal solid waste – budgeted tonnage for 2010/11 - 760,000 tonnes.
- Management and supervision of contracts for the operation of Kent's 18 Household Waste Recycling Centres and associated waste haulage, composting, and recycling services; sites open 362 days per year, 4 million visits per year.
- Disposal of clinical waste collected by 12 districts from private dwellings and residential nursing homes.
- Direction, management and supervision of pollution monitoring services, remedial works and ongoing maintenance/restoration of 19 closed landfill sites.
- Provision, management and supervision of contracts for the removal and disposal of abandoned vehicles (ABV) in Kent.
- The continuous improvement of co-operation between KCC, districts and the Environment Agency via the Kent Waste Partnership and Forum
- Promotion of waste reduction, recycling and composting initiatives
- Implementation of the Joint Municipal Waste Management Strategy and input to the Waste and Minerals Development Framework
- Enforcement, campaigning and community engagement to make Kent a cleaner county

Environmental  
Group

- Strategic management, promotion, improvement, enforcement and maintenance of 6,700 km of the Public Rights of Way network, managing 88,000 public contacts pa. and Explore Kent
- Management of Common Land and Village Green Service (CLVG): processing on average 5 Commons and Village Green Applications each year and c.6,500 searches per year.
- Promoting and delivering sustainable management of the countryside through countywide Countryside Partnerships.
- Management of the County Council's 16 Country Parks, picnic sites and woodland, attracting c.2 million visitors each year including 9 Sites of Special Scientific Interest (SSSI) at "favourable

Environmental Group contd.	<p>status” and management of 3 Scheduled Ancient Monuments and 8 windmills</p> <ul style="list-style-type: none"> <li>• Delivering a programme of environmental education through 2 main centres</li> <li>• Leading the management of flood risk in Kent</li> <li>• Delivering archaeological, historic buildings and historic landscape planning advice to KCC, Medway and district councils</li> <li>• Providing ecological planning advice to KCC and participating district councils. Raising awareness and understanding of biodiversity, wildlife recording and the coast.</li> <li>• Delivering the Biodiversity Duty upon KCC and best practice in coastal zone management through the Kent Coastal Network and Coastal and Estuary Partnerships.</li> <li>• Co-ordinating the implementation of KCC’s commitments under the corporate Environment Policy, and its accreditation to ISO14001</li> <li>• Co-ordinating the delivery of projects, initiatives and commitments under key policies and strategies, such as the Kent Environment Strategy and the Kent Climate Change Action Plan.</li> <li>• Promote and coordinate environmental improvement action by over 700 regular volunteers</li> </ul>
Strategic Management and Resources	<ul style="list-style-type: none"> <li>• Develop and monitor the Directorate’s £304 million revenue and capital budget</li> <li>• Act as the Directorate’s focal point for VFM and lead for the Directorate on business management processes</li> <li>• Provide a co-ordinated approach to risk and performance management</li> <li>• Provide executive support and advice to EHW Cabinet/Lead Member and Director</li> <li>• Provide specialist advice and expertise for the Directorate in Health &amp; Safety, Data Protection, Freedom of Information and Environmental Information regulations</li> <li>• Manage and direct the Directorate’s performance management framework</li> <li>• Co-ordinate web development and ensure quality standards across communications channels</li> <li>• Talent management and succession planning.</li> <li>• Develop and implement a wide range of training initiatives</li> <li>• Ensure all new staff have appropriate induction</li> <li>• Lead the work on Equalities and Diversity</li> </ul>

Planning &  
Development  
Group

- Formulation of planning policy including influencing national and sub-regional planning policy
- Undertake preparation, implementation and monitoring of Minerals and Waste Development Framework and produce Annual Monitoring Report
- Deliver Strategic Environmental Appraisal and Sustainability Appraisals on all major strategies
- Represent KCC's interests in the development and scrutiny of Local Development Frameworks and policies prepared by the 12 District Planning Authorities
- Represent Kent's interests at public inquiries relating to planning policies
- Represent the County Council on regional partnerships and specialist working groups relating to the group's activities
- Consultation on & development of major strategies

Planning  
Applications  
Group

- Receive and process over 530 planning applications and submissions for minerals, waste and County Council developments each year
- Undertake pre-application discussions with applicants as required and where necessary carry out screening and scoping processes in accordance with Environmental Impact Assessment legislation.
- Monitor compliance with planning permissions and take appropriate enforcement action where breaches of planning control have taken place in accordance with the Council's approved Enforcement Protocol.
- Comment on behalf of County Council on draft waste management licences and IPPC permits and variations to existing waste management licences issued by the Environment Agency.

Transport  
Strategy Group

- Production of the Integrated Transport Strategy 'Growth without Gridlock' and the third Local Transport Plan (LTP).
- Implementation of LTP policies and strategies and monitoring delivery through the LTP process reporting mechanism.
- Influence European, national and sub-regional transport policy (CTRL, rail services, freight, trunk road schemes, ports and airports) in Kent's interests

Transport  
Strategy Group  
contd.

- Develop key strategic transport improvements such as a new Lower Thames crossing, solutions to Operation Stack and maximising the benefits of High Speed One rail services.
- Monitor traffic flow and travel trend data in the County to inform Kent's transport policies and to ensure that the LTP best meets the needs of Kent residents and users of the county's transport systems.
- Represent Kent's interests at public inquiries relating to transport planning policies and major transport proposals

### Appendix 3 – Current budget monitoring details

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	62,942	-12,724	50,218	0	0	0	
Public Transport Contracts	21,490	-2,977	18,513	537	0	537	Freedom Pass
Waste Management	69,945	-1,973	67,972	-600	0	-600	Increase in contract prices (£1.1m), offset by reduced tonnage (£1.7m)
Environmental Group	10,071	-4,830	5,241	0	0	0	
Planning & Development Group	770	-15	755	0	0	0	
Planning Applications	1,134	-477	657	0	0	0	
Transport Strategy Group	503		503	0	0	0	
Strategic Management	850		850	0	0	0	
Resources	5,255	-129	5,126	-150	0	-150	Vacancies
Support Services purchased from CED	1,768		1,768	0	0	0	
<b>Total E, H &amp; W</b>	<b>174,728</b>	<b>-23,125</b>	<b>151,603</b>	<b>-213</b>	<b>0</b>	<b>-213</b>	
<b>Assumed Management Action</b>							
<b>Forecast after Mgmt Action</b>				<b>-213</b>	<b>0</b>	<b>-213</b>	