

---

**From:** Cabinet Member - Environment Highways & Waste  
Mike Austerberry, Corporate Director – Enterprise & Environment  
Andy Wood, Corporate Director for Finance & Procurement

**To:** Environment Highways & Waste Cabinet Committee

**Date:** 10 January 2013

**Subject:** 2013/14 Revenue Budget Consultation Responses

**Classification:** Unrestricted

---

**Summary:**

The late announcement of the Local Government Finance arrangements for 2013/14 means that final draft budget could not be available in time to include in this report. The Finance Business Partner will provide a verbal update on the proposals affecting Environment Highways and Waste portfolio(s) for the Cabinet Committee to consider.

**Recommendations:**

Members are asked to:

- (a) NOTE the late announcement of the provisional local government finance settlement and the impact on budget timetable
- (b) COMMENT on the issues affecting the Environment Highways and Waste portfolio(s) raised in consultation and Cabinet's response.

---

**1. Introduction**

1.1 At the last meeting the Committee was given an update on the consultation on the draft budget launched in September. The consultation closed on 1<sup>st</sup> November but full analysis of all the responses was not available in time for the committee. A full report was presented to Cabinet on 3<sup>rd</sup> December and analysis from the independent MORI research and responses to KCC consultation document were published at the same time. These reports are available at

[http://www.kent.gov.uk/your\\_council/council\\_spending/budget\\_proposals.aspx](http://www.kent.gov.uk/your_council/council_spending/budget_proposals.aspx)

1.2 The consultation identified that the council faced estimated reductions in government grant/council tax collection of £28m (excluding Dedicated Schools Grant) and estimated additional spending demands of £32m. Together these required savings and income of £60m to balance the budget.

1.3 Since the KCC consultation was launched there have been a number of funding changes announced by central government and details of the new business rates arrangements still to be resolved. These were reported to Cabinet on 3<sup>rd</sup> December and Cabinet was asked to note the likely overall detrimental impact. Cabinet resolved that the impact would only be quantified after the provisional local government is announced (this was anticipated to be later than previous years and wouldn't be available until close to Christmas).

## **2. Consultation Responses**

2.1 In the Consultation there were a number of issues affecting the Environment Highways and Waste portfolio as reported to Cabinet on 3<sup>rd</sup> December. Cabinet's response was included in the report and is set out below for Cabinet Committee to comment. Consultation findings are shown in the shaded boxes

### **2.2 Highways**

Participants felt that Highways needs to remain the responsibility of KCC and could see potential inefficiencies in devolving responsibility, although some groups could see some merit in local decisions on things like traffic calming and urgent maintenance. There was no support for increasing funding for Highways either through increased council tax or user charging. Some participants might be more willing to pay user charges for roads if there were viable alternatives through public transport. Respondents to the online survey felt that street lighting is the most acceptable area to make savings.

2.2.1 Cabinet agrees with participants' views that the costs to individuals of travelling by car are already high and would not want to add to this burden. Cabinet also accepts that additional council tax should not be levied to support Kent highways and the council will need to continue to improve the quality of Kent's roads and keep traffic flowing whilst also getting best value from our highways contracts so that we do not have to raise additional taxes or charges.

2.2.2 Cabinet is very disappointed that money collected through the vignette scheme for charging foreign HGVs to use UK roads, first proposed by KCC to offset the damage foreign HGVs have on Kent highways, will not be hypothecated to Kent to invest in our highway network. Such a new and innovative income stream would have reduced the unfair pressure on Kent council taxpayers in paying for repairs to highways caused by huge growth in foreign HGVs.

2.2.3 Cabinet is pleased that many respondents agreed with our proposals to turn off some streetlights between midnight and 5am, when roads are least well used. Lights will only be turned off where it is sensible and safe to do. This measure will not only save tax payers money but would also be a visible demonstration of the council's commitment to reduce energy consumption and its carbon footprint.

2.2.4 Cabinet also recognises the views of some participants that public transport is an important option. KCC has worked extensively with bus companies to improve bus services, and will continue to work with developers to integrate convenient and reliable public transport into new housing developments, such as the Fast Track service at Kent Thameside.

2.2.5 Cabinet acknowledges that most participants want KCC to maintain responsibility for Kent's highways, and particularly welcome their views that KCC can deliver better economies of scale and obtain the required expertise and skills through our commissioning and procurement arrangements. The new Highways Enterprise contract is a much better arrangement than KCC has had before, and is already delivering significant improvements to highways maintenance without increasing the overall cost.

### **2.3 Transport**

Participants thought that the community could get more involved in running transport services. In the case of SEN transport, participants welcomed more control and responsibility for parents in getting their children to school, but felt that some vulnerable families would still need support. People felt that given the existing costs of running a car and using public transport, they would not be willing to pay more to use transport services. The exception was the Freedom Pass, which participants felt was offering an exceptional deal. Views were mixed on increasing council tax to support this service or reducing service levels.

2.3.1 The increase in SEN transport costs over recent years is unsustainable, and Cabinet must do everything we can to bring costs down. Cabinet agrees with participants that it is good for parents to have more say in how their child is transported to school, and the more personalised approach will be a positive change as in many cases parents can get their children to school more cheaply than the current costs paid by KCC. However, the needs of the child are a priority, and parental involvement would only be on a voluntary basis. Cabinet will also oversee the renegotiation of SEN transport contracts to get maximum value from them, including working with other South East councils through SE7 to see whether larger scale commissioning and procurement of SEN transport can deliver better value.

2.3.2 Cabinet is pleased that participants think the Freedom Pass offers such a good deal. The Freedom Pass supports Kent's young people to make the most of education, employment, social and cultural opportunities, and is a service that many other Councils do not provide. Cabinet realises that increasing the individual contribution would only be a short-term solution, and therefore we are considering how we can make changes to the offer in future years to make it more financially sustainable whilst still maintaining the greater freedom and flexibility the pass offers to parents and young people.

2.3.3 However, we need to be clear that it is a parent's responsibility to get their children to school and they should consider this when choosing a school. We only have to provide transport assistance where a child lives beyond the

statutory distance from their nearest school. The Freedom Pass means KCC already goes much further in its support for children and families beyond the statutory minimum and invests upward of £10m on subsidy for the Kent Freedom Pass and the Post 16 Travel Card. These enable Kent's young people to access public transport not just to and from school and places of education, but also for use at evenings and weekends. Cabinet believes it is essential that all young people should be able to access schools and other facilities best suited to their needs.

2.3.4 Cabinet also agree with participants' views that subsidy of bus routes could be reduced. In the current financial climate, it will not always be viable or fair to continue to subsidise individual routes which are hardly used. Cabinet will ensure that this is reviewed on a case by case basis, taking into account the needs of users in the area and local alternatives. Where a bus route is supporting a vital need, for example helping people get to a hospital, Cabinet will seek to maintain funding for it.

## **2.4 Waste Recycling and Disposal**

Participants were not prepared to increase council tax to fund this service and felt that we could get more savings from contracts and increase income from users or through recycling. Participants were also prepared to see a decrease in provision if necessary to manage costs. There was little appetite in devolving responsibility to local communities and some participants were concerned about a potential increase in fly-tipping and other problems if KCC took less of a role in managing rubbish and recycling.

2.4.1 Cabinet welcome participants' views that it is important for KCC to continue to manage waste services. Although Cabinet sees a role for community and individual responsibility, we share participants' concerns about the risk of fly-tipping if rubbish and recycling is not properly managed. We work closely with district councils over fly tipping enforcement, and will continue to consider the most effective ways of delivering waste services to maintain provision. This will include Cabinet continuing the successful policy of developing joint arrangements with district and borough councils to unify the way in which waste is collected, which will reduce both their costs and the cost to the county council in disposing of waste. KCC has a good record in achieving savings from its numerous waste contracts, and Cabinet will ensure the value from these continues to be maximised.

2.4.2 Cabinet acknowledges participants' views that they would be prepared to see a decrease in opening hours of household waste recycling centres or accept a charge to individuals for waste and recycling. These issues were explored recently by a wide-ranging member review of the household waste recycling centre operations which led to recent site changes, and Cabinet will keep all possibilities open, bearing in mind statutory limitations around charging.

### **3. Recommendations**

3.1 Members are asked to:

- (a) NOTE the late announcement of the provisional local government finance settlement and the impact on budget timetable
- (b) COMMENT on the issues affecting the Environment Highways and Waste portfolio(s) raised in consultation and Cabinet's response.

#### **Contact Details:**

Dave Shipton, Head of Financial Strategy  
Finance & Procurement, Business Strategy & Support Directorate  
Tel (01622) 694597

Anthony Kamps, Finance Business Partner - Enterprise & Environment  
Tel (01622) 694035