

Minutes of the Economy and Environment Overview and

Scrutiny Panel

County Hall, Worcester

Thursday, 20 January 2022, 10.00 am

Present:

Cllr Alastair Adams (Chairman), Cllr Karen Hanks (Vice Chairman),
Cllr Bob Brookes, Cllr Beverley Nielsen, Cllr Jack Satterthwaite and
Cllr Emma Stokes

Also attended:

Cllr Alan Amos, Cabinet Member with Responsibility for Highways and
Transport
Cllr Tony Miller, Cabinet Member with Responsibility for the Environment

John Hobbs, Strategic Director for Economy and Infrastructure
Steph Simcox, Deputy Chief Finance Officer
Rachel Hill, Assistant Director for Economy, Major Projects and Waste.
Paul Smith, Assistant Director for Highways & Transport Operations
Samantha Morris, Scrutiny Co-ordinator
Alyson Grice, Overview and Scrutiny Officer

Available Papers

The members had before them:

- A. The Agenda papers (previously circulated);
- B. The Minutes of the Meeting held on 9 November (previously circulated).

(A copy of document A will be attached to the signed Minutes.)

429 Apologies and Welcome

The Chairman welcomed everyone to the meeting.

Apologies were received from Councillors Tony Muir, Craig Warhurst and Marc Bayliss (Cabinet Member with Responsibility for Economy and Skills).

430 Declarations of Interest and of any Party Whip

None.

431 Public Participation

None.

432 Confirmation of the Minutes of the previous meeting

The Minutes of the meeting on 9 November were agreed as a correct record and signed by the Chairman.

The Chairman noted that the previous action relating to the performance indicators on pothole repairs was still outstanding. The Assistant Director for Highways and Transport Operations informed the Panel that further information would be available shortly.

433 Budget Scrutiny 2022/23

The Panel was asked to consider the draft 2022/23 Budget for areas within its remit.

The Chairman reminded the Panel that a task group (made up of Panel Members) had met in November and December to consider detailed budget information provided by the Directorate and he wished to thank officers for providing this information. He also reminded Members that, following the Panel's November meeting, he had written to the Cabinet Members with Responsibility (CMRs) for the Environment, and for Highways and Transport, and asked them to consider the funding for particular service areas, including small flood alleviation schemes, footways and Public Rights of Way. The draft budget indicated that the Panel's concerns had been taken into account and the Chairman thanked the CMRs for this.

The Panel received a presentation from the Head of Finance and was invited to ask questions. The following main points were made:

- The Council-wide budget position was summarised. It was important to put the budget for Economy and Infrastructure in context.
- The Panel's views would be forwarded to OSPB for further discussion and OSPB's recommendations would then be considered by Cabinet and, in due course, by full Council.
- The one-off use of reserves and the increased investment in People Services was noted.
- An estimate had been used to calculate pay and contract inflation as the final figure was not yet known.
- The Government had provided a good settlement for Local Authorities and the Council would be receiving more grant income than had been expected for social care and other areas. This was a very positive

position. Some grants were still to be confirmed, eg those relating to the Better Care Fund and public health.

- £1.5m of reserves would be used to fund pressures in relation to the waste contract. It was noted that this reserve would be exhausted by the end of 2022/23.
- A whole system approach was being taken to address adult care funding pressures, and the Council was currently in consultation with the Herefordshire and Worcestershire Clinical Commissioning Group.
- A Council Tax increase of 3.94% was being proposed. The Council would remain in the lower quartile for level of Council Tax in relation to comparable councils.
- In response to a question from a Member of the Panel, it was confirmed that other local authorities would have a range of approaches to investment in both their revenue and capital budgets. However, it was not necessarily the case that those with the highest council tax had the best services.
- It was confirmed that General Reserves (to cover unexpected events) would remain at £12.2m as the level of risk was assessed to be the same as the current year. In response to a Member's question, it was confirmed that the County Council's level of reserves was low when compared to other local authorities and the Council had not drawn down a significant amount from reserves over the last five years. Members were reminded that the Chief Financial Officer had a professional and legal duty to balance the reserves.
- The Panel discussed the use of reserves in relation to the waste contract and the Strategic Director for Economy and Infrastructure confirmed that this was a legitimate use of the waste reserve. He informed the Panel that the extension of the waste contract had just been concluded. It was agreed that Councillor Stokes would follow up this discussion with the Head of Finance following the meeting.
- Members noted the proposals for additional investment in capital projects. It was confirmed that any unspent money from 2021/22 would be carried forward to 2022/23 as projects did not often finish neatly at the end of a financial year. This carry over was usually in the region of £10-15 million.
- The Strategic Director confirmed that the capitalisation of revenue budgets in relation to highways had continued for longer than had originally been planned and there was a need to return to funding from revenue budgets as this was not sustainable. Members were reminded that this was something that scrutiny had previously expressed concern about. The Chairman suggested that this was an area that should be looked at in detail as part of next year's budget scrutiny task group.
- The Panel was informed that there was no change proposed in the budget for skills and development.
- It was confirmed that the increased budget for waste was needed to cover contract inflation and the increased amount of waste being collected for disposal. More waste was being collected as a result of new houses being built and more residents working from home. The importance of promoting waste prevention was noted. Members were reminded that an increase of 1% new homes growth was built into the financial plan.

- The uplift in the budget for the Parish Lengthsman scheme was welcomed. It was confirmed that this would be allocated according to an agreed funding formula based on the number and length of roads in a parish. The formula would be available shortly and would be shared with Members.

After the presentation, Members were given an opportunity to ask further questions and the following main points were raised:

- A Member suggested that, in order to manage the local member highways fund and assess what could be afforded, it would be helpful to know the cost of various projects. The Panel was reminded that Members could liaise with their local highways liaison officer (and there would be a full complement of officers from the start of the new financial year). Information on some schemes was also provided in the Member Handbook, although details would vary according to specific situations.
- The Chairman highlighted the importance of communication with Members and ensuring that local Members were aware of what was happening in their divisions in relation to highway and footway repairs. In response, Members were reassured that the resource would be available to ensure that Members were the first to know about proposed work in their divisions. Although the additional investment was welcomed, Members asked whether a simple spreadsheet of projects could be provided, based on information already held by the Directorate. The Strategic Director suggested that One.Network would be a useful resource for Members to find out what was happening locally.
- The extra £6m investment in Street Lighting was welcomed. A question was asked about how many additional streetlights could be provided for this and whether the current contractor had the resources to carry out the work. It was confirmed that the move to full LED would result in significant savings. The contractor was currently able to update approximately 200 units per week but, given the rise in energy costs, the service was keen to accelerate this with the aim of all units being converted to LED by the end of the year. It was confirmed that there were 29,000 units left to replace with 27,700 having already been completed. Preliminary conversations had taken place with the current contractor and all options were being considered, including the use of additional contractors. It was confirmed that the major supplier of the LED lamps used was based in Worcestershire.
- The Strategic Director confirmed that he was not aware of any funding allocated to phase 6 of Malvern Technology Park. He agreed to discuss this further with Councillor Nielsen after the meeting.
- In response to a question about the budget for the demand responsive bus scheme pilot and specifically whether funding was available for rolling out the scheme to other areas of the County, the CMR for Highways and Transport reminded the Panel that this was part of the Bus Service Investment Plan. A bid was being made to Government for £86m, some of which would be used for rolling out the demand responsive scheme. The pilot in Bromsgrove had been a great success and had operated at capacity on one day of the previous week. The

pilot would come to an end in July. The service was currently running from 7am to 7pm and it was proposed to extend its hours and capacity. It was confirmed that the initiative was not included in the budget proposals as the Council was waiting to hear the outcome of its bid to Government. The outcome was expected in the first or second week of February.

- With reference to funding for cycling related projects, it was confirmed that many Government-funded projects included an active travel component and maintaining good roads was to the benefit of all road users. The Strategic Director agreed to provide the Panel with further information on cycling provision in relation to highways schemes, including figures for total spend. The CMR for Highways and Transport reminded the Panel that the aim was to build an integrated transport highways network and cycling provision was an important part of that integration.
- A Member asked whether there were any plans for the County Council to support work on the Brine Baths in Droitwich as this would support the local economy. It was suggested that he should speak to the CMR for Economy and Skills about this suggestion.
- With reference to pedestrian crossings, the CMR for Highways and Transport suggested that the Small Infrastructure Fund would be very popular with local Members and pointed out that it would not be sufficient to build a crossing in every division. There was a need to be open and transparent and the criteria for funding would be provided to all Councillors as this was the fairest way forward.
- In response to a question about investment in 16-19 training, the Panel was reminded that this was funded as part of an annual grant from central government. Services were then commissioned from this grant.
- The Chairman welcomed the increase in funding for the Public Rights of Way Team and asked that the number of countryside access volunteers be increased in order to make the most of this additional funding. It was confirmed that no additional capital funding was being proposed for Public Rights of Way as the current budget would carry forward in 2022/23. The Head of Finance agreed to provide the Chairman with more information on this following the meeting.
- With reference to charging points for electric vehicles, the CMR for the Environment confirmed that the Sustainability Team was looking at the infrastructure needs. The Strategic Director reminded the Panel of the importance of investing in the right technology as choosing the wrong route could prove very expensive.

The Chairman summarised the Panel's discussion as follows:

The Panel felt this was a great budget and welcomed the investments across the board in the areas that mattered to residents and areas about which the Panel had previously expressed concern, including small flood alleviation schemes, footways and Public Rights of Way. During the discussion, the following points were noted:

- It was important to ensure better communications with Members and local residents about projects. The One.Network interactive map was a

useful tool to show where there were roadworks, but a more in-depth system was needed to keep Members informed about upcoming projects in their local area; for example, which roads, and which pavements were planned to be resurfaced.

- The Panel welcomed the acceleration of the ongoing investment in the rollout of LED street lighting which will reduce the Council's carbon footprint. They were also particularly pleased to hear that a Worcestershire company was being used to supply the LED lamps.
- The Panel was pleased to hear that the extension of the Waste Contract would be signed before the end of the current financial year and savings would be achieved.
- The increase in funding for the Public Rights of Way Team was welcomed. However the panel did stress that recruitment of more Countryside Access volunteers must be made a priority to make the most use of additional funding. The volunteers help install new gates, footbridges, stiles, footpath signs and general upkeep of paths.

Overall, the Panel welcomed the budget proposals. The Chairman wished to thank the Cabinet Members and the Officers for their help and assistance.

434 Demand Responsive Transport - Bromsgrove Pilot

The Panel was asked to consider information on the Demand Responsive Transport (DRT) pilot which had been operating in Bromsgrove since July 2021.

By way of introduction, the Assistant Director for Highways and Transport Operations made the following main points:

- The Bus Service Improvement Plan was fundamentally about enhancing bus services which provided a vital link for local residents and had been in decline in recent years. Government had told local authorities that, if they did not produce a plan, their funding would be reduced. The Bus Service Improvement Plan was, therefore, key and the County Council was in a good place to move forward.
- The aim was to develop an enhanced partnership – a formal legal entity to enhance the infrastructure (including bus stops, real time information and branding) based on customer experience and a focus on sustainability.
- In recent years, bus services had been in steady decline nationally and there was a need to look at an alternative to the conventional bus.
- The Demand Responsive Transport pilot was important to establish the concept and establish what were the benefits and risks. The pilot had been very well received and feedback was very positive.
- Funding from the Department for Transport would be confirmed in February and the Council could then look at how Demand Responsive Transport could be embedded in the network in Worcestershire.

Members were given an opportunity to ask questions and the following main points were made:

- The positive benefits of the scheme were noted and it was suggested that giving buses priority in traffic may have a role in encouraging residents to move away from car use. The CMR for Highways and Transport confirmed that, where it was possible, he would be in favour of giving buses priority at traffic lights.
- In response to a question about the demographics of the passengers using the pilot service, the CMR confirmed that passengers came from a cross-section of the community and were often repeat customers. It was agreed that further data from the pilot (including details of users and why some residents may have declined to use the service) would be circulated to the Panel.
- It was confirmed that the level of subsidy needed going forward was yet to be decided.

The Chairman felt this was a fantastic idea and welcomed the positive feedback. The Panel would welcome regular updates at future meetings.

435 Work Programme

The Panel reviewed its current work programme and agreed that:

- As part of effective communication, regular Cabinet Member Briefings should be held. The Assistant Directors were asked to organise these briefings.
- An update on Street Lighting would be added to the March agenda.
- An update on the Waste contract would be added to the May agenda.
- Active travel and Congestion would also be considered in May.
- Q4 performance data would be considered in July.
- An update on Highways communications would be added to the September agenda.
- A Panel visit to the Ringway depot at Lydiate Ash would be arranged to further Members' understanding of Highways issues.
- A Panel 'away day' would be held in July to consider successes and challenges, and look forward to the coming year and how best the Panel could make a difference.
- Now that Covid restrictions were being reduced, the planned visit to the House of Commons to observe a select committee hearing would be arranged.

The meeting ended at 12.34 pm

Chairman