

# Agenda

## Environment Overview and Scrutiny Panel

**Thursday, 25 January 2024, 10.00 am  
County Hall, Worcester**

All County Councillors are invited to attend and participate

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## DISCLOSING INTERESTS

There are now 2 types of interests:  
**'Disclosable pecuniary interests'** and **'other disclosable interests'**

### WHAT IS A 'DISCLOSABLE PECUNIARY INTEREST' (DPI)?

- Any **employment**, office, trade or vocation carried on for profit or gain
- **Sponsorship** by a 3<sup>rd</sup> party of your member or election expenses
- Any **contract** for goods, services or works between the Council and you, a firm where you are a partner/director, or company in which you hold shares
- Interests in **land** in Worcestershire (including licence to occupy for a month or longer)
- **Shares** etc (with either a total nominal value above £25,000 or 1% of the total issued share capital) in companies with a place of business or land in Worcestershire.

**NB Your DPIs include the interests of your spouse/partner as well as you**

### WHAT MUST I DO WITH A DPI?

- **Register** it within 28 days and
- **Declare** it where you have a DPI in a matter at a particular meeting
  - you must **not participate** and you **must withdraw**.

**NB It is a criminal offence to participate in matters in which you have a DPI**

### WHAT ABOUT 'OTHER DISCLOSABLE INTERESTS'?

- No need to register them but
- You must **declare** them at a particular meeting where:
  - You/your family/person or body with whom you are associated have a **pecuniary interest** in or **close connection** with the matter under discussion.

### WHAT ABOUT MEMBERSHIP OF ANOTHER AUTHORITY OR PUBLIC BODY?

You will not normally even need to declare this as an interest. The only exception is where the conflict of interest is so significant it is seen as likely to prejudice your judgement of the public interest.

### DO I HAVE TO WITHDRAW IF I HAVE A DISCLOSABLE INTEREST WHICH ISN'T A DPI?

Not normally. You must withdraw only if it:

- affects your **pecuniary interests** **OR** relates to a **planning or regulatory** matter
- **AND** it is seen as likely to **prejudice your judgement** of the public interest.

### DON'T FORGET

- If you have a disclosable interest at a meeting you must **disclose both its existence and nature** – 'as noted/recorded' is insufficient
- **Declarations must relate to specific business** on the agenda
  - General scattergun declarations are not needed and achieve little
- Breaches of most of the **DPI provisions** are now **criminal offences** which may be referred to the police which can on conviction by a court lead to fines up to £5,000 and disqualification up to 5 years
- Formal **dispensation** in respect of interests can be sought in appropriate cases.

## Environment Overview and Scrutiny Panel

### Thursday, 25 January 2024, 10.00 am, County Hall, Worcester

**Membership:** Cllr Alastair Adams (Chairman), Cllr Tony Muir (Vice Chairman),  
Cllr Dan Boatright-Greene, Cllr Andrew Cross, Cllr Emma Marshall,  
Cllr Beverley Nielsen, Cllr David Ross and Cllr Emma Stokes

## Agenda

Item No	Subject	Page No
1	<b>Apologies and Welcome</b>	
2	<b>Declarations of Interest and of any Party Whip</b>	
3	<b>Public Participation</b> Members of the public wishing to take part should notify the Assistant Director for Legal and Governance in writing or by e-mail indicating both the nature and content of their proposed participation no later than 9.00am on the working day before the meeting (in this case 24 January 2024). Further details are available on the Council's website. Enquiries can also be made through the telephone number/e-mail address listed in this agenda and on the website.	
4	<b>Confirmation of the Minutes of the previous meeting</b> Previously circulated.	
5	<b>Budget Scrutiny 2024/25</b> ( <i>Indicative timing: 10:05 – 10:55am</i> )	1 - 16
6	<b>Work Programme</b> ( <i>Indicative timing: 10:55 – 11:00am</i> )	17 - 20

Agenda produced and published by the Assistant Director for Legal and Governance, County Hall, Spetchley Road, Worcester WR5 2NP

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All the above reports and supporting information can be accessed via the Council's website

Date of Issue: Wednesday, 17 January 2024

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## **ENVIRONMENT OVERVIEW AND SCRUTINY PANEL**

### **25 JANUARY 2024**

### **BUDGET SCRUTINY 2024/25**

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#### **Summary**

1. The Panel will consider the draft Budget for 2024/25 for services relating to the environment.
2. The Cabinet Members with Responsibility for Environment, and Highways & Transport, the Director of Economy and Infrastructure (E&I) and the Deputy Chief Finance Officer have been invited to attend this meeting.

#### **Background**

3. Members of the Panel are reminded that they have had the benefit of quarterly performance and financial monitoring throughout the year as part of the Scrutiny Panels' role in maintaining oversight of service provision, identifying trends, budget pressures and challenges.
4. In addition, the Leader and Chief Executive attended the Overview and Scrutiny Performance Board (OSPB) on 26 July 2023 to discuss the role of Scrutiny in the 2024/25 budget setting process.

#### **Budget Scrutiny 2024/25**

5. As part of the Budget Scrutiny process for 2024/25, the Director of Economy and Infrastructure has been asked to identify the main messages from the draft 2024/25 Budget for areas within the remit of the Panel. These are set out in Appendix 1.
6. The draft Council Budget 2024/25 was presented to Cabinet on 10 January 2024 and is also available to the Panel at [Jan 2024 draft budget report](#)
7. The Panel's discussions on the draft Council Budget 2024/25 will be reported to the OSPB on 29 January 2024, when the Board will formulate its comments to Cabinet for its meeting on 1 February 2024.

#### **Purpose of the meeting**

8. Following discussion of the information provided, the Panel is asked to determine any comments on the draft 2024/25 Budget for the Chairman to report back to the OSPB at its meeting on 29 January 2024.

#### **Supporting Information**

Appendix 1 – 2024/25 Draft Budget Proposals

## Contact Points

Alison Spall/Alyson Grice, Overview and Scrutiny Officers, Tel: 01905 846607/ 844962  
Email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Chief Finance Officer) the following are the background papers relating to the subject matter of this report:

[All agendas and minutes are available on the Council's website here](#)

[The Council's Budget Books are available on the website here](#)

# 2024/25 Draft Budget for Consultation

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## Environment Overview and Scrutiny Panel

25 January 2024

- Nationally, Local Government is under severe financial pressure due to inflationary and demand pressures in three main areas - Children's Social Care, Home to School Transport and Adults Social Care. These overspends reflect the continuing costs in these sectors which show no sign of abating.
- At the end October, our net overspend was at **£22.2m** on a £401m net budget – this was **after** using one off monies from additional income from business rates (£4.1m), £9m additional use of reserves (on top of £5.5m used to balance the budget approved before the start of this year) that were set aside in the budget to manage. Our structural deficit (*a budget deficit due to our ongoing expenditure greater than our income*) is c£35m.

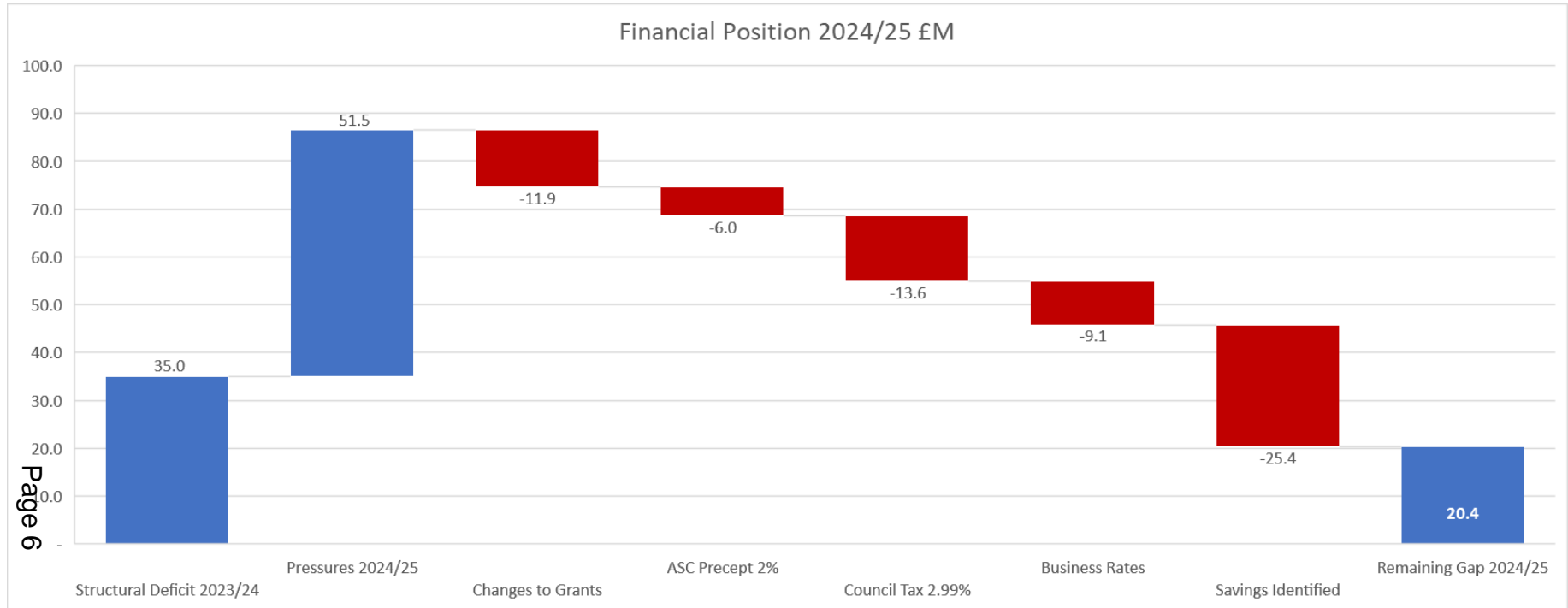
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Our overspend position is not because of poor control, oversight or policy decisions. It is simply an exceptionally large increase in our costs for demand-led services, set against our constrained ability to raise additional income.

- Worcestershire County Council has had strong record of good financial management, constantly adapting to operate in a more cost-effective way, whilst continuing to deliver frontline services
- We are continuing to make savings and are on course to make around £20 million of savings in the financial year.



- Budget Report to Cabinet on 10 January 2024 summarises the financial position for the Council and each of the service areas.
- Local Government Settlement announced on 18 December (a one-year settlement), indicated additional government funding of £21m. However, this was a net £1.6m reduction on the expected funding which was built into our MTFP, and this is not keeping pace with demand and pressures we are facing.
  - Core spending power increased to upper tier Authorities to recognise significant demand pressures which included an increase to our Settlement Funding assessment by £9.1m.
  - Further funding of £12.9m to recognise significant pressures within Adults and Children's Social Care.
  - Public Health and Substance Abuse Grants – additional £1.1m (estimated)
  - Reduction in services grant of £2.2m.
- No fundamental reforms to funding system anticipated.
- Government included a statement in settlement around Councils using reserves in this difficult period which is not sustainable in longer term.
- Proposed Council Tax increase of 2.99%, plus a 2% Adult Social Care Levy - Total 4.99%



- At this point there is a gap of £20.4m that needs to be addressed
- Cabinet Members continue to work with their respective Strategic Directors to identify options to reduce the current reported gap by either additional savings or agree strategies to reduce the current growth and demand assumptions prior to the final budget report.

- The table below show the indicative pressures including the structural deficit of £35m which has been addressed.
- Demand for services continues to increase, particularly across Adults and Children’s Social Care as well as Home to School Transport. Growth figures have been obtained from the services split across inflation, demand, investment and removal one-off funding sources, along with the impact of the structural deficit

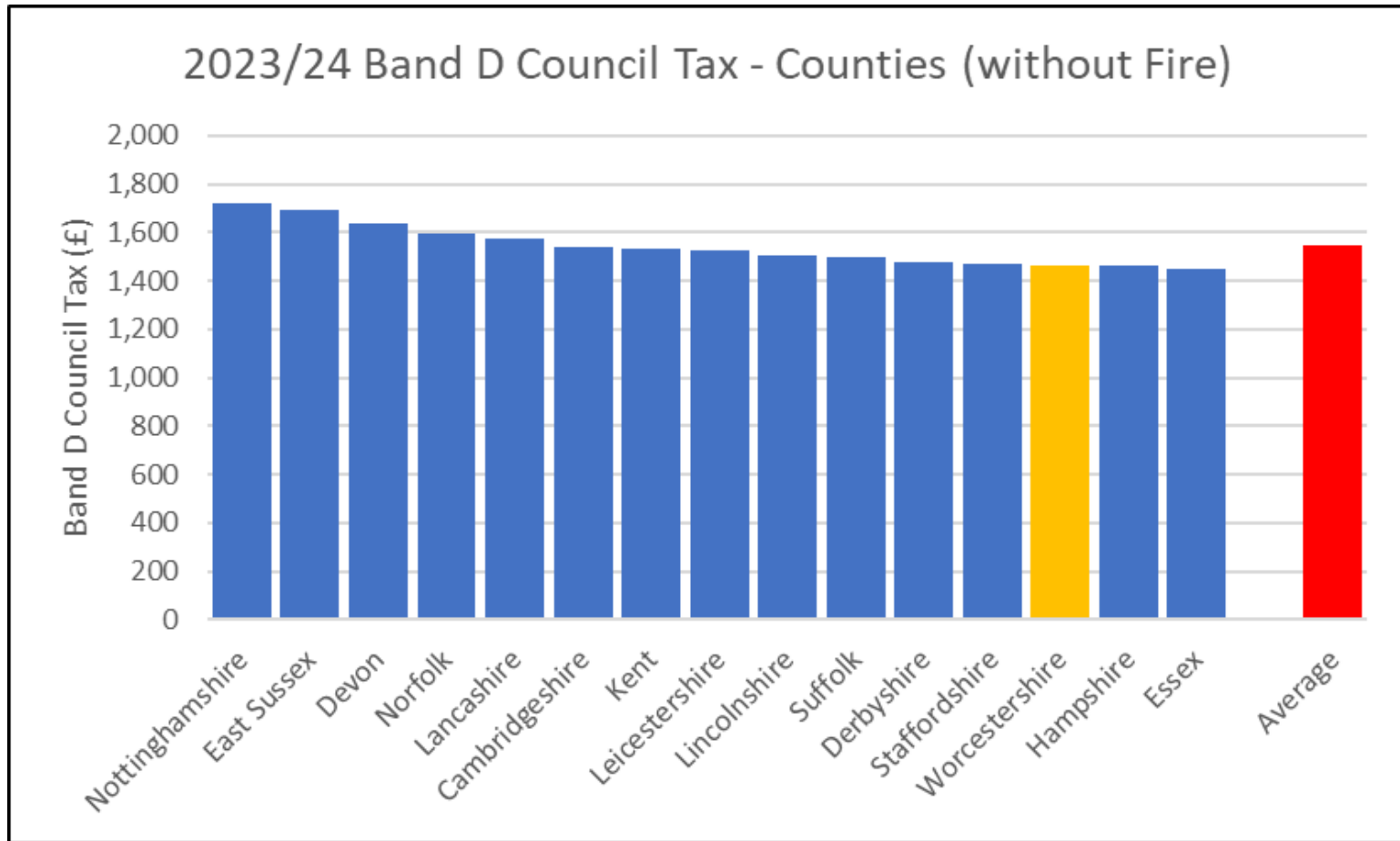
2024/25 Pressures and Funding (Including Structural Deficit)	Adults (£m)	HTST (£m)	Childrens (£m)	Other (£m)	Total (£m)
Rebase	2.4	0.0	0.3	3.2	6.0
Pay Inflation	1.2	0.0	2.6	4.0	7.8
Contract Inflation	6.2	2.1	4.7	5.5	18.5
Demand	3.5	4.1	2.9	0.6	11.1
Investment	0.0	0.0	0.0	2.9	2.9
Capital	0.0	0.0	0.0	5.2	5.2
<b>Additional Pressures for 2024/25</b>	<b>13.4</b>	<b>6.2</b>	<b>10.5</b>	<b>21.4</b>	<b>51.5</b>
<b>Structural Deficit</b>	<b>5.9</b>	<b>9.5</b>	<b>19.1</b>	<b>0.5</b>	<b>35.0</b>
<b>Total Pressures</b>	<b>19.3</b>	<b>15.7</b>	<b>29.6</b>	<b>21.9</b>	<b>86.5</b>

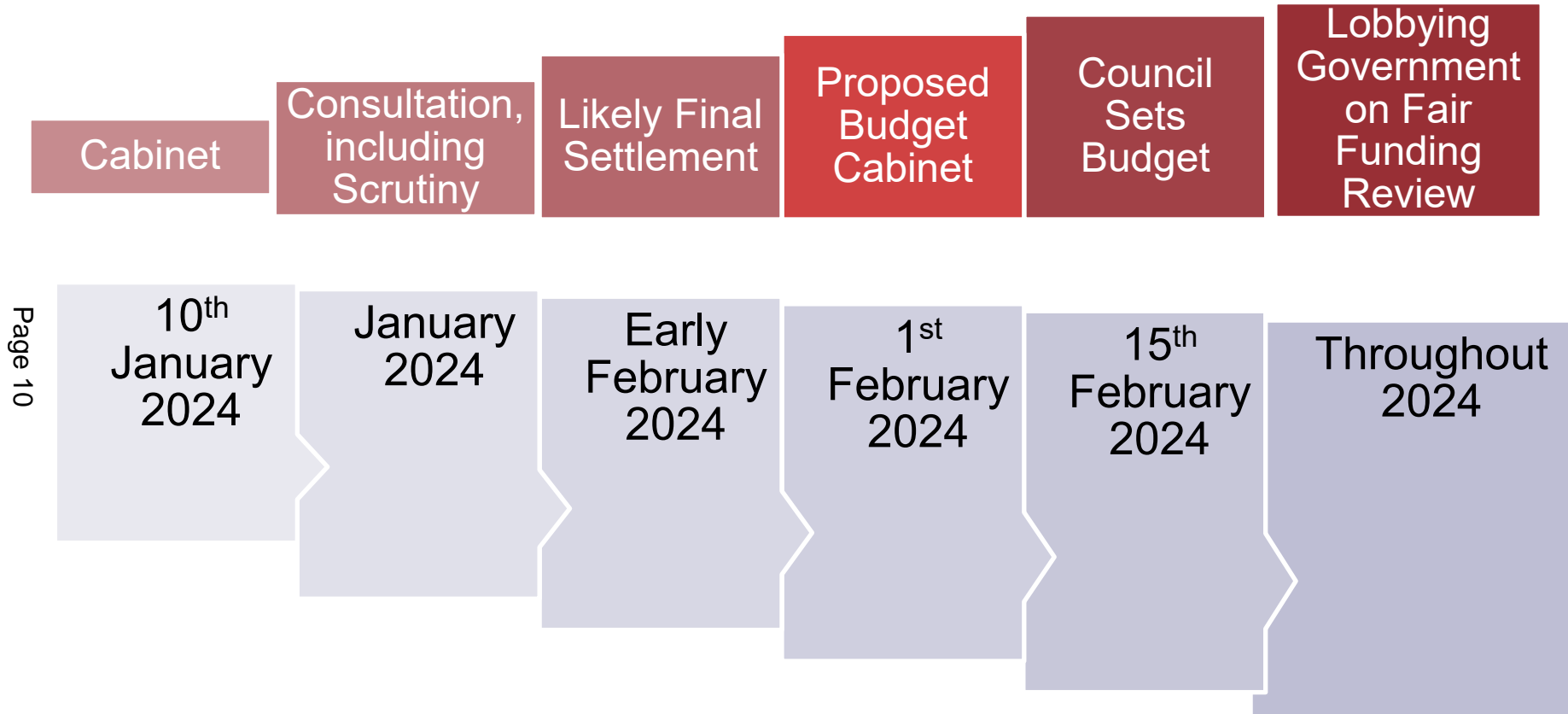
**2%** Adult Social Care Levy for 2024/25 to contribute to existing cost pressures due to Worcestershire's ageing population.

**2.99%** - to provide financial support to continue to fund investments in those areas that the public have consistently highlighted as important.

**An increase of 4.99% which is an average £1.41 per week for a Band D householder.**

**Worcestershire is likely to remain in the lower quartile for level of Council Tax for comparable councils.**





# Economy & Infrastructure

## Specific 2024/25 Budget Information

# Summary Indicative Net Revenue Investment (1)

- £1.3m increase into Transport and Strategic Planning relating to the review of planning applications, support for the local plan modelling and strategic schemes (paragraph 35)
- £1.3m increase relating to the fall out of the final tranche of the PFI grant relating to waste along with £0.6m relating to waste demand (paragraph 36)
- Pay Inflation - £1m
- Contract inflation including waste - £3.379m
- Transfer of budget from WCF relating to management of the Home to School Transport Service - £0.962m

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Total indicative investment and inflation of £8.5m

NB The Council still has a £20.4m gap which needs to be addressed – so these figures may change



# Summary Indicative Net Revenue Investment (2)

## Offset by

- £1.1m from a review of the services and structures within E&I
- £0.6m relating to a review of discretionary spend across E&I
- For detail see [Appendix 3](#)

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Total reductions = £1.7m

Overall, there is an indicative net investment of £6.8m

**NB The Council still has a £20.4m gap which needs to be addressed – so these figures may change**

# Home to School Transport - Paras 37 - 39

- Pressures remain in mainstream home to school transport and SEND transport which are not unique to Worcestershire.
- Costs have continued to rise driven mainly by increasing numbers of children with Special Educational Needs that require transport, but also due to difficulties in the market with a shortage of providers and drivers.
- The draft budget recognises these challenges and provides a further
  - £4.1m for increased demand
  - £2.1m for inflation
  - £9.5m relating to the structural deficit
  - Total = £15.7m million.
- A part year effect saving of £1.25m is forecast in this area following a detailed review of the services
- Indicative net investment = **£14.45m**

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# Draft Revenue Budget – Extract of Appendix 1

SERVICE	Revised Budget 2023/24	Directorate Virements	Structural Deficit	Pay Inflation	Contract Inflation	Growth (Investment)	Growth (Demand)	Savings	Net Budget 2024/25
	£000	£000	£000	£000	£000	£000	£000	£000	£000
<b>Economy &amp; Environment Panels</b>									
Road Lighting	5,807	0	0	10	-512	0	0	0	5,304
Waste Management	38,831	0	0	29	2,626	1,264	561	0	43,311
Development Management	69	0	0	48	0	0	0	0	117
Network Management	-394	0	0	153	53	0	0	0	-188
Highways Operations & PROW	8,934	0	0	137	816	0	0	0	9,887
Business Management	767	0	0	23	0	0	0	-1,700	-910
Economy & Sustainability	922	0	0	122	12	0	0	0	1,057
Major Projects	1,830	0	0	47	31	0	0	0	1,908
Infrastructure & Contracts	1,224	0	0	18	63	0	0	0	1,305
Passenger Transport Operations	10,586	962	0	357	290	0	0	0	12,195
Planning & Regulation	508	0	54	75	0	1,300	0	0	1,937
<b>Total E&amp;I</b>	<b>69,083</b>	<b>962</b>	<b>54</b>	<b>1,018</b>	<b>3,379</b>	<b>2,564</b>	<b>561</b>	<b>-1,700</b>	<b>75,922</b>
Home to School Transport	0	20,759	9,446	0	2,053	0	4,100	-1,250	35,108
Skills & Inv inc. Adult Learning	51	0	0	100	3	0	0	0	155

**NB The Council still has a £20.4m gap which needs to be addressed – so these figures may change**

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## **ENVIRONMENT OVERVIEW AND SCRUTINY PANEL 25 JANUARY 2024**

### **WORK PROGRAMME**

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#### **Summary**

1. From time to time the Environment Overview and Scrutiny Panel will review its work programme and consider which issues should be investigated as a priority.

#### **Background**

2. The Environment Overview and Scrutiny Panel is responsible for scrutiny of:
  - Environment including Net Zero Plans
  - Highways
  - Flooding
  - Waste
3. The Work Programme (attached at Appendix 1) is part of the Council's rolling Annual Work Programme which was discussed by the Overview and Scrutiny Performance Board (OSPB) on 28 April 2023 and agreed by Council on 18 May 2023.

#### **Dates of Future Meetings**

- 14 March 2024 at 10am
- 14 May 2024 at 10am
- 17 July 2024 at 10am
- 14 October 2024 at 10am
- 27 November 2024 at 10am

#### **Purpose of the Meeting**

4. The Panel is asked to consider the 2023/24 Work Programme and agree whether it would like to make any amendments. The Panel will wish to retain the flexibility to take into account any urgent issues which may arise.

#### **Supporting Information**

- Appendix 1 – Environment Overview and Scrutiny Panel Work Programme 2023/24

#### **Contact Points**

Alyson Grice/Alison Spall, Overview and Scrutiny Officers, Tel: 01905 844962/846607  
Email: [scrutiny@worcestershire.gov.uk](mailto:scrutiny@worcestershire.gov.uk)

## **Background Papers**

In the opinion of the proper officer (in this case the in this case the Assistant Director for Legal and Governance), the following are the background papers relating to the subject matter of this report:

[Agenda and minutes for Overview and Scrutiny Performance Board on 28 April 2023](#)

[Agenda and Minutes for Council on 18 May 2023](#)

All Agendas and Minutes are available on the Council's website [weblink to Agendas and Minutes](#)

## SCRUTINY WORK PROGRAMME 2023/24

### Environment Overview and Scrutiny Panel

Date of Meeting	Issue for Scrutiny	Date of Last Report	Notes/Follow-up Action
25 January 2024	Budget Scrutiny 2024/25		
14 March 2024	Flood Risk Management Annual Report	23 March 2023	Annual standing item
	Environment Act – update on developments including arrangements for food waste collection		Requested by Panel 30 November 2023
	Performance (Q3 October to December) and In-Year Budget Monitoring		
<b>Possible Future items</b>			
TBC	Monitoring of Section 38 agreements		Added to the Work Programme by the Chairman February 2023
TBC	Worcestershire Street Scape Design Guide		Prior to being considered by Cabinet.
TBC	Update on cutting congestion	13 May 2022	
TBC	Update on cycling and walking infrastructure	13 May 2022	
TBC	Waste Management Service Contract	8 November 2022	Update report once contract extension has been agreed
TBC	Road Safety and Reduction of Speeding by use of Built Highways Infrastructure	13 May 2022	Update in 12 to 18 months
TBC	Environment approach: partnership working		Suggested by CMR June 2022

TBC	Biodiversity Net Gain		Suggested at Panel 26 May 2023
TBC	Environment Plan		Suggested by CMR 26 May 2023
TBC	Local Nature Recovery Strategy		Suggested by CMR 26 May 2023
TBC	Safer Streets outside Schools		Resulting from Motion to Council 18 May 2023
TBC	Local Transport Plan 5		Suggested by Councillor Jenkins June 2023
TBC	Highways Innovations update	18 January 2023	Further update requested in due course
TBC	Update on (i) Demand Responsive Transport and (ii) Community Transport	September 2023	Further update requested in 12 to 18 months.
TBC	Gully Cleansing		Added to the Work Programme by the Chairman October 2023.
TBC	Rainbow Crossings		Suggested at OSPB on 29 June 2022
<b>Standing Items</b>			
March/July/ Sept/Nov	Budget and In-year performance monitoring		
November/January	Budget Scrutiny Process		
Annually	Flood Risk Management Annual Report	23 March 2023	