

# HERTFORDSHIRE COUNTY COUNCIL

## COMMUNITY SAFETY & WASTE MANAGEMENT CABINET PANEL TUESDAY 7 FEBRUARY 2017 AT 10.00AM

Agenda Item

No:

**5**

### INTEGRATED PLAN 2017/18 - 2019/20

#### Joint Report of the Director of Resources and the Chief Executive & Director of Environment

Authors: Lindsey McLeod Head of Accountancy Services  
(Tel 01992 556431)  
Mike Collier Assistant Director (Environment)  
(Tel 01992 555792)

Executive Members: Richard Thake (Community Safety & Waste Management)  
Chris Hayward (Resources and Performance)

#### 1. Purpose of the Report

- 1.1 To highlight the areas of the Integrated Plan which relate to Community Safety & Waste Management in order for Panel to consider these and provide comment.
- 1.2 Members are asked to bring the following reports to the meeting, which have been circulated separately to all Members of the County Council:

**‘Public Engagement and Consultation on the 2017/18 – 2019/20 Integrated Plan’** (circulated as Item 4(i) for the Cabinet meeting of 23 January 2017); and

**‘DRAFT INTEGRATED PLAN 2017/18 – 2019/20 (incorporating the Strategic Direction and Financial Consequences and the Treasury Management Strategy)’** (circulated as Item 4(ii) for the Cabinet meeting of 23 January 2017).

#### 2. Summary

- 2.1 The Integrated Plan brings together the financial impact of service plans and the available funding to resource these over the next three years. Strategic Direction summaries have been produced for each Portfolio, which set out the future direction of services in the context of achieving substantial further savings. These have been informed by comparative benchmarking, both through published data and informal networks with other comparable authorities, to identify areas of potential efficiency gains. Services have identified savings, in the context of the continuing budgetary pressures and reduction in

available funding. Any savings requiring a policy change have been taken through Panels for Cabinet decisions throughout 2016.

- 2.2 The Government announced the provisional Local Government Finance Settlement for 2017/18 on 15 December 2016. This was the second of the Government's four year settlement offer for authorities who submitted an Efficiency Plan, including Hertfordshire. A number of the reductions to funding were therefore known in advance when preparing the proposed budget. In addition, the Education Services Grant (ESG) has reduced by £8.748m. This follows the consultation on plans to remove the remaining general funding rate from 2017/18, to achieve the full £600m savings (nationally) announced at the 2016/17 Spending Review. In its place, reduced level of funding has been made available through the Dedicated Schools Grant (DSG) and the Schools Improvement Grant. The Settlement therefore proposes a significant reduction in funding, with a £35m loss of Revenue Support Grant (RSG) between 2016/17 and 2017/18. Further savings options have been identified and increases in council tax and the new Social Care Precept are proposed in order to achieve a balanced budget. The IP Pack and Strategic Direction documents have been updated for the proposed savings.
- 2.3 Savings proposals include reducing the allocation of general non-pay inflation to zero. Whilst this is mitigated to some extent by excluding exceptional inflation areas, it will require services to manage the impact during 2017/18.
- 2.4 The final position will not be confirmed until the Final Settlement (expected early February) and other late grant announcements, and until figures are received from Districts for council tax base and collection fund balances, due to be provided by the end of January. Should any late changes result in an unbalanced budget, it is expected that this can be met for 2017/18 through central adjustments and/or the one-off use of specific reserves.
- 2.5 The future position remains challenging: even with the identified savings and continued year on year increases in council tax and the social care precept, current projections of pressures and funding require a further £23.8 million saving to be identified in 2018/19, rising to £44.8 million by 2019/20.
- 2.6 Given the extent of the required savings, it will be necessary to continue to develop proposals for consideration by Cabinet Panels and Cabinet. It is becoming progressively more difficult to find further savings, and these are likely to require more significant service redesign, and hence lead times, before they are achieved. Specific workstreams have been set up under the Transformation Programme to develop new ways of delivering services, including preventative and other early interventions that reduce demand for more complex services. Cross cutting workstreams are reviewing how the Council can be smarter in how it

runs its business and utilises property and digital approaches, to ensure we meet the challenges of future demand and funding constraints.

### **3. Recommendations**

- 3.1 The Panel is invited to comment to Cabinet on the proposals relating to the Integrated Plan in respect of Community Safety & Waste Management.
- 3.2 The Panel is also asked to identify any issues that it feels that the Cabinet should consider in finalising the Integrated Plan proposals.

### **4. Background**

- 4.1 The integrated plan comprises:
  - an overview of the proposed revenue budget and capital programme, including a review of the budget estimates and adequacy of reserves (Part A);
  - Strategic Direction and Financial Consequences - by portfolio (Part B);
  - an Equalities Impact Assessment (Part C);
  - the Treasury Management Strategy (Part D)
  - the Insurance and Risk Strategy (part E)
  - the Capital, Asset Management and Invest to Transform Strategy (part F); and
  - Other technical information, including Finance summaries (Part G)
- 4.2 Part B of the Integrated Plan has separate sections for each Portfolio. These contain the strategic direction summary (for Community Safety & waste Management portfolio, on pages 63 to 82 of the Integrated Plan Pack Part B); revenue budget information including a schedule of Key Budget Movements that sets out details of financial pressures and savings (pages 83 to 85); an analysis of the revenue budget by objective area (pages 86 and 87; and a summary of the proposed Capital Programme (page 89 and 90).
- 4.3 Key issues for this portfolio include:

Community Protection:

  - The Directorate will commence development of a new Integrated Risk Management Plan during the next financial year. The document is required by the Fire and Rescue Services Act and will be a key project to assist in defining the future shape of Fire and Rescue.
  - Significant projects to replace firefighting uniforms and breathing apparatus will be completed in the next financial year.
  - The recent Local Government Association Peer Review of the Service, undertaken in October 2016, was extremely positive but

highlighted that Estates and ICT are showing signs of lack of investment.

- The outstanding risk reduction work undertaken by Community Protection staff has had a dramatic effect on reducing the number of emergencies, however, this has a negative effect on the experience of staff. Training will need to remain an area for focus and investment to counteract this.
- Attraction of suitable retained firefighters remains a significant issue.

#### Waste Management:

- The award of planning permission for the proposed Energy Recovery Facility (ERF) at Ratty's Lane, Hoddesdon is critical to meeting the County Council's need to develop a cost effective alternative long term solution for the management and disposal of Hertfordshire's residual local authority waste.
- The HWRC network is an ageing asset and some centres, while coping with demand, are no longer fit for purpose. Work will continue to try to secure new sites and resources to develop a rationalised network of 'supersites'. This is a significant challenge not least because finding appropriate and affordable land is very difficult and, despite the essential nature of the service, proposed new Household Waste Recycling Centres do not receive great support. It is important that cooperation and active support from relevant borough and district councils is secured.

## **5. Equality Implications**

- 5.1 Part C of the Integrated Plan provides an equality impact assessment of the savings included within the plan and how these are intended to be mitigated by the service.