

HAMPSHIRE COUNTY COUNCIL

Decision Report

Decision Maker:	Executive Member for Environment and Transport
Date of Decision:	22 January 2013
Decision Title:	Revenue budget report for the Economy, Transport and Environment Department for 2013/14
Decision Reference:	4609
Report From:	Director of Economy, Transport and Environment and Director of Corporate Resources – Corporate Services

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1. Executive Summary

- 1.1. The County Council's decisive action over the last two financial years has meant that it has broadly achieved its goal of responding to four years worth of Government grant reductions in two years. This has enabled the County Council to return to a process of Annual Efficiency Targets (AETs) for at least the last two years of the current Comprehensive Spending Review (CSR) period.
- 1.2. The grant settlement that was released just before Christmas confirmed further reductions in Government funding for the next three years but these were broadly within the range of forecasts that the County Council had been predicting. Assuming that Council Tax levels are in line with the overall Medium Term Financial Strategy (MTFS) this means that no further savings will be necessary above the 2% AETs set for each Department in order to balance the budget for the next two years, leaving the County Council in a very strong financial position and providing sufficient time and capacity to plan for more challenging times from 2015/16 onwards.
- 1.3. This report proposes a budget for the Economy, Transport and Environment Department for 2013/14 in accordance with the Council's Medium Term Financial Strategy reported to Cabinet last Summer. The budget includes proposals for the 2% reduction in spending to meet the AET for the year.
- 1.4. The report also provides an update on the financial position for the current year. At the current time monitoring information for Quarter 3 is not available but for the second Quarter the Department is forecasting a

planned saving of £178,000 (0.16% of the cash limited budget). Further detail is provided in section three of this report.

- 1.5. The 2% AET for this Department for 2013/14 is £1.411m. The savings proposals to meet this amount are explained in section five of this report and are set out in Appendix 1.
- 1.6. The report also reviews the level of charges for the provision of services in section six and provides a summary of charges in Appendix 2.
- 1.7. The proposed budget for 2013/14 analysed by service is shown in Appendix 3 and the workforce implications of the budget proposals are set out in Appendix 4.
- 1.8. This report seeks approval for submission to the Leader and Cabinet of the revised budget for 2012/13 and detailed proposals for the 2013/14 revenue budget for the Economy, Transport and Environment Department. The report has been prepared in consultation with the Executive Member and will be reviewed by the Environment and Transportation Select Committee. It will be reported to the Leader and Cabinet on 8 February 2013 to make final recommendations to County Council on 21 February 2013.
- 1.9. The Department's budget and performance strategies are developed in accordance with the Council's Equalities Policy and have regard to the most vulnerable in society. How budgets are used has a significant impact on the most excluded, and this budget report provides information on the spending plans that support the Department's priorities. Further information on the Equality Impact Assessments completed in respect of the various savings proposals is provided within Integral Appendix B.

2. Context and Priorities

- 2.1. Following the CSR announcement in 2010 local government was anticipating an average 28% reduction in Government funding across the Country. The impact of changes to the distribution methodology meant that the County Council's share of this reduction is relatively much greater, with a 25% reduction in the first two years alone.
- 2.2. The Local Government Provisional Finance Settlement was announced on 19 December and after allowing for technical adjustments in respect of transfers of functions and changes to the grant system, the County Council has received equivalent grant reductions over the two year period of 8.7%, and 9.6% , which is in line with the reductions contained in the medium term forecast although the cumulative impact is slightly worse than previously predicted..
- 2.3. Cabinet has already confirmed that for planning purposes it should be assumed that we will accept the Council Tax Freeze Grant for 2013/14, which amounts to £5.3M in each of the years 2013/14 and 2014/15.
- 2.4. Now that these grant figures have been released and assuming that future Council Tax increases are within the range contained in the previous Medium Term Financial Strategy it is anticipated that as long as Departments meet their total of 20% savings (two lots of 8% and two lots of

2%) over the four year period then the County Council will achieve a balanced budget by the 2014/15 financial year, albeit that it may be necessary to use a small amount of one off funding to balance the budget in 2014/15.

- 2.5. This means that the County Council will have achieved its aim of meeting four years worth of grant cuts in the first two years of the current CSR period and has put itself in a very strong position to deal with the further grant reductions from 2015/16 onwards. Initial indications are that with further funding cuts on the horizon there will be a significant gap to be closed in 2015/16 and future years but through the current financial strategy, the County Council has given itself the time and capacity to deliver these savings over the next two years through further transformation workstreams.
- 2.6. The Chief Executive has already reported to Cabinet plans for a new set of Corporate Efficiency Workstreams to start to address the financial challenges from 2015/16 onwards. This work will begin in earnest in this new calendar year with a view to identifying further efficiencies, cost reduction options and organisational responses that meet the forecast budget gap in 2015/16. The Council will also want to plan how to meet increases in demand, inflation and demographics that will ultimately translate into increased expenditure.
- 2.7. During the current CSR period, the County Council has been developing its 'Open for Business' priorities, underlining the fact that despite the reductions in Government funding the County Council remains a large influential organisation committed to providing high quality services to the residents of Hampshire.
- 2.8. The Economy, Transport and Environment Department has been developing its service plans and budgets for 2013/14 and future years in keeping with the 'Open for Business' priorities and the key issues, challenges and priorities for the Department are set out below.

Departmental Challenges and Priorities

- 2.9. The core aims of the Economy, Transport and Environment budget and cost reduction approach, which was approved as part of the 2011/12 budget process (a focus on core service delivery around Highways, Waste Management, Transport and remaining statutory planning and environmental services) remain relevant and accurate.
- 2.10. The relationships with our two largest private sector business partners, Amey and Veolia, remain critical to the successful delivery of ETE services. Work on reducing the Highways contract costs was completed last year saving some £2M p.a. through an efficiency programme which is also supporting service enhancements year on year. As part of the Council's business strategy, it will be important to consider and position ourselves strategically in relation to commercial partners in respect of highways and waste where the operational capacity and responsibility was effectively outsourced in the 1990s though strong client management and commissioning expertise is retained within the Department. The Cabinet

recently endorsed, as part of the Energy Strategy, the need to review the long term approach on waste and strategic discussions with Veolia are key to exploring these opportunities. Following a change at the top of Veolia's management the Executive Member and Director are now opening up a new dialogue to try to secure the type of partnership arrangement needed to deliver the very significant potential financial benefits but this will require agreement on some radical changes to the current operations of the waste contract between the County Council and Veolia or a longer term change of arrangements.

- 2.11. The Department derives around one third of its overall budget from capital funding. There is a close level of integration between capital and revenue spending and activity, such as Highways Maintenance and the Transport Improvements Programme, funded through LTP Capital Grant and Developer funds. Therefore in addition to the revenue budget the capital programme is a very significant area for the Economy, Transport and Environment budget and capital recharges support significant areas of Departmental staffing and operational costs. The Department has again been very successful in bidding for Transport and Infrastructure funding from central Government which has helped to retain delivery capacity and maintain investment levels for capital activities. Indeed we have been so successful that there are some real challenges in securing sufficient staff resources and delivery capacity to successfully implement these projects, alongside Operation Resilience and normal maintenance works, at a time when the County Council is struggling to compete for new staff with private sector consultants. Amey, who are locked into competitive rates through the Highways Contract are also struggling to attract recruits to join the Hampshire Contract at present.
- 2.12. The Government's intended transfer of future major transport funding to Local Transport Boards (LTBs) based on Local Enterprise Partnership (LEP) areas along with limitations that apply to Section 106 funding from April poses a further challenge for the future. The DfT have made it clear that the devolved funding will only be capital, and therefore initial scheme development and business case production will all be funded on an at risk basis by the revenue budgets of scheme promoters (i.e. Highway Authorities). The deployment of additional locally sourced one off monies in 2012/13 through the additional capital allocations in last years budget has been particularly important in helping the County Council to secure its technical cases and evidence base to support future bids and it will be important to maintain activities in this area as the LTBs come into full operation from 2013 onwards.
- 2.13. Last year's version of this budget report identified three main challenges for the medium term on top of the on-going need to deliver the proposed savings and to manage cost pressures within the agreed budgets. Once again this analysis remains valid in 2012/13. The first challenge concerns Concessionary Bus Travel which will be subject to significant demographic pressures in the years ahead, as the population ages, and more individuals become entitled to concessionary passes. Secondly it is expected that public and community transport services will come under increasing

pressure from rising fuel costs and increased demand to support communities needing to access health, education, employment and training as public sector funding reductions affect service availability outside main centres, and as increasing numbers of older residents are no longer able to drive or run their own cars.

- 2.14. Finally, the Department deals with areas which are subject to significant and rapidly evolving technological, financial and policy innovation and development such as waste management, energy and climate adaptation. These are also areas where cost pressures are predicted to escalate (e.g. energy prices) and where rapid technical innovation can render traditional infrastructure obsolete, placing a large premium on how risk is shared and how robust investment decisions and business cases are prepared. The Cabinet has recently approved an ambitious energy strategy which sets a framework for taking initiatives forward but the nature of the subject area and the financial context will require us to develop new ways of appraising investment decisions and funding infrastructure projects.

3. 2012/13 Budget

- 3.1. Savings of £6.104m are planned to be delivered during the year. All Departments are monitoring achievement of savings as part of the normal budget monitoring process for the year. At the end of September £5.579m of these savings had been fully delivered and £0.525m were still on target to be delivered by the end of the year.
- 3.2. The monitoring position for Quarter 3 is not yet available and will be reported in due course. At Quarter 2 the expected outturn forecast was for a planned saving against the Department's budgets of £178,000 (0.16% of the cash limited budget).
- 3.3. The budget for the department has been updated throughout the year and the revised budget is shown in Appendix 3. The most significant change relates to the separate funding arrangements for the long-term waste disposal contract where amounts relating to contractual inflation, landfill tax and volume changes are released quarterly from central contingencies: to date this has added £2.707M to the 2012/13 cash limit. The other major change relates to centralising of budgets such as IT which has resulted in a net reduction to the Economy, Transport and Environment Department's cash limit of £1.929M. Neither of these changes has affected the purchasing power of the budget. The key changes are summarised in the table below.

	£000
Original budget 2012/13	107,676
Net movement to/from contingencies	2,180
Net impact of other inter-departmental transfers	(1,929)
Grants	708
Transfer of Rural Funding from Policy and Resources	175
Virement from capital	150
Other	(27)
Revised Budget	108,933

Budget 2013/14

4. Revenue Pressures and Initiatives

- 4.1. The Department's main Highways Transport service activities remain sensitive to increases in fuel and material costs resulting in 'excess' cost inflation, but these pressures are covered either by corporate risk contingencies or corporate inflation contingencies that will be factored into the overall budget.

5. Revenue Savings Proposals

- 5.1. Each Department is required to deliver a 2% saving to contribute towards the Annual Efficiency Target in 2013/14. The target for the Economy, Transport and Environment Department for 2013/14 is £1.411m and Appendix 1 summarises the savings proposals to meet this sum and also shows the estimated impact on workforce levels.
- 5.2. The County Council took over responsibility for administering the Concessionary Fares scheme in 2011/12. After a year of operation a number of existing and potential administrative efficiencies and savings have been identified and these underpin the £300,000 savings proposal included in this report. This proposed saving will allow the existing Concessionary Fare scheme with its enhanced provision for the disabled to be maintained.
- 5.3. A programme is underway to rationalise area office space and co-locate County Council staff and key partners to achieve efficiencies in the delivery of highway maintenance works and this project will be complete by 2013/14. The ongoing net savings in premises costs from this work will release the £100,000 efficiency saving proposed.

- 5.4. The activities previously supported by the Safer Roads Partnership are now fully funded by income received by Police and Crime Commissioner. The proposal to save a further £242,000 in this area reflects the final stage of this process with no budget provision required in 2013/14.
- 5.5. The Department has an ongoing programme of housekeeping efficiency savings and a sum of £100,000 has been targeted in 2013/14.
- 5.6. The Department has targeted additional income generation of £200,000 from increased fee charges to capital schemes. This will result from the successful bids for additional capital funding together with more efficient delivery of schemes.
- 5.7. The Department is proposing to implement a tighter programme of vacancy management in 2013/14 to deliver a saving of £169,000. Assuming staff turnover continues at current levels this should have minimal impact on service delivery.
- 5.8. A sum of £300,000 can now be identified from efficiency savings arising from the recent re-procurement of our energy supply for street lighting and more energy efficient operation of the new lighting. This saving is supported by the adoption of best practice in energy procurement, producing in a significant saving to the base budget which can contribute to the Department's savings target from 2013/14 onwards.
- 5.9. The Appendix also provides information on the type of savings proposals categorised over Efficiencies, Income Generation or Service Reductions. The table below summarises the split of savings between these categories :

	£'000
Efficiencies	1,241
Income Generation	200
Total	1,411

- 5.10. These proposals will not result in any further workforce reductions.
- 5.11. During 2011/12 the Department achieved planned savings against its revenue budget of £1.299M. This has been held in an earmarked reserve and is available to the Department to offset any costs associated with implementation of the savings in the current and future financial years. £0.5M of this sum was earmarked to support costs of implementing 'Confirm', the new highways IT system associated with the efficiency transformation programme through the term highways contract. Due to technical implementation issues the programme for this project has had to be delayed by 3 months and consequently this funding is now unlikely to be fully drawn down during 2012/13.

6. Review of Charges

- 6.1. For the Economy, Transport and Environment Department, the 2013/14 revenue budget includes income of £13.9M from fees and charges and other external income sources. This is an increase of £1.8M (15%) on the adjusted original budget for 2012/13. The majority of this increase (£1.3M) relates to higher income levels under the waste contract. Waste contract funding arrangements include a centrally held contingency which does not form part of the Economy, Transport and Environment cash limited budget. The contingency is intended to mitigate the impact on the cash limited budget of factors relating to the contract that are outside the management control of the department. Income earned under the contract offsets calls against the central contingency so the benefit of this additional income accrues to the County Council as a whole rather than to the Department.
- 6.2. There are some mandatory and national charges which the County Council is not able to vary. The main example in the Economy, Transport and Environment Department relates to planning application fees which, following a number of years without any inflation uplift, have been increased by 15% in 2013/14.
- 6.3. Details of current and proposed fees and charges (where these are specifically defined) and other external income for 2013/14 are outlined in Appendix 2. All proposed charges included in the appendix take in to account a central inflation allocation which for 2013/14 was set at 1.5%. Discretionary charges are reviewed annually except where they are subject to agreements which cover longer periods when the review would take place at the end of the agreement period.

7. Other Expenditure

- 7.1. The budget includes some items which are not counted against the cash limit. This includes budgets for central department support services (except where they have been given to service departments to buy services), and repair and maintenance of buildings. It also includes costs of Member Support within the Economy, Transport and Environment Department and budgets that are rechargeable to Policy and Resources for corporate and democratic core services. For the Economy, Transport and Environment Department this also includes a sum of £557,000 relating to the Flood Protection Levy paid annually to the Environment Agency.
- 7.2. The Department continues to be successful in bidding for Government grant for example a number of successful bids in 2011/12 and 2012/13 to the Local Sustainable Transport Fund (LSTF). However there is an increasing tendency for Government grant funding for these type of programmes to have conditions attached such as strict adherence to year on year spend profiles submitted in the bid process. These conditions constrain flexibility and the ability to integrate across programmes, and they also have the potential to be disruptive to the normal working and responsiveness of the Department across its wider remit. In effect more of the Department's delivery capacity is required to be dedicated to particular

funding programmes rather than a comprehensive work programme for example on an area basis. The proposed Members Environment/Highways Fund is also due to be added to the Department's Capital Programme from 2013/14 onwards. This initiative presents a real opportunity to address specific member priorities in local areas but the management co-ordination required will also pose some delivery challenges, and potentially require a dedicated resource to manage and deliver projects.

8. Budget Summary 2013/14

- 8.1 The MTFS update report presented to Cabinet in December included provisional cash limit guidelines for each Department. The cash limit for the Economy, Transport and Environment Department in that report was £109.801M.
- 8.2 Appendix 3 sets out a summary of the proposed budgets for the service activities provided by the Department for 2013/14 and show that these are within the amended cash limit set out above.
- 8.3 In addition to these cash limited items there are further budgets which fall under the responsibility of this department, which are shown in the table below.

	2013/14 £000
Cash limited net expenditure	109,801
Other service costs	
- Flood Protection Levy	557
Less Government Grants:	
- Flood and Water Management	344
- Cycle Training	250
Total net expenditure	109,764

- 8.4 This net position excludes central items such as repairs and maintenance, support service charges and capital charges which will be added as part of the overall budget reported to Cabinet and County Council in February.

9. Workforce Implications

- 9.1. There are no workforce implications of the proposed budget for 2013/14 and the overall position is set out in Appendix 4. At the end of 2013/14 the planned workforce for the Economy, Transport and Environment Department is 739 full time equivalent (FTE) staff. Overall this is unchanged from the estimate at the end of 2012/13 of 739 FTEs with

reductions (e.g. as a result of inter-departmental transfers) offset by increases funded by new funding (e.g. successful bids for grant).

	FTEs
FTE staff as at 31 March 2013	739
Changes relating to savings targets	0
FTE staff as at 31 March 2014	739

10. Conclusion

- 10.1. This report outlines the key issues and proposals for the Economy, Transport and Environment Department budget for 2013/14, including savings proposals to meet the 2% AET.
- 10.2. Risks associated with the proposed savings are considered to be low but progress will be closely monitored by the Departmental Management Team.
- 10.3. Equality Impact Assessments have been undertaken in respect of the main savings proposals, and where necessary, appropriate actions have been identified. The Departmental Management Team will monitor progress against all savings proposals on a regular basis, and highlight issues with the Executive Member where appropriate.

11. Recommendations

To approve for submission to the Leader and Cabinet:

- 11.1. The proposals for savings totalling £1.411m, which meet the 2% target set for the Economy, Transport and Environment Department in 2013/14 (as set out in Appendix 1).
- 11.2. The annual review of income and charges (as set out in Appendix 2).
- 11.3. The revised budget for 2012/13 totalling £108,933M (as set out in Appendix 3).
- 11.4. The summary budget for 2013/14 totalling £109,801M (as set out in Appendix 3).
- 11.5. The workforce implications of the proposed budget for 2013/14 (as set out in Appendix 4).

CORPORATE OR LEGAL INFORMATION:**Links to the Corporate Strategy**

Hampshire safer and more secure for all:	Yes
Corporate Business plan link number (if appropriate):	
Maximising well-being:	Yes
Corporate Business plan link number (if appropriate):	
Enhancing our quality of place:	No
Corporate Business plan link number (if appropriate):	

Other Significant Links

Links to previous Member decisions:		
<u>Title</u>	<u>Reference</u>	<u>Date</u>
Direct links to specific legislation or Government Directives		
<u>Title</u>		<u>Date</u>
None		

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

IMPACT ASSESSMENTS:

1. Equalities Impact Assessment:

- 1.1. The department's budget and performance strategies are developed in accordance with the Council's Equalities Policy and have regard to the protected characteristics defined in the Equality Act 2010 and people who are otherwise considered to be vulnerable and at risk of not benefitting from our services.
- 1.2. High level equalities impact screenings have been carried out in respect of the savings proposals outlined in this report. These have been used to identify where there is likely to be an impact on service users or staff. This has been cross-referenced to the full equalities impact assessments that have been undertaken for each of the ETE Department's service objectives. In each case, no additional concerns have been flagged with respect to the ability to eliminate discrimination, advance equality of opportunity or foster good relations.
- 1.3. The impact assessments used to guide service design and decisions during 2012/13 are linked below. These assessments will be reviewed in Spring 2013 in light of customer feedback and our ongoing service reviews.

Keeping Hampshire Moving

- [Safe and well managed highways in Hampshire](#)
- [Safe and efficient transport systems in Hampshire](#)
- [Developing Hampshire's Highway Network and Transport Systems](#)

Shaping Hampshire's Future

- [Maximising uses of waste and reduction of landfill in Hampshire](#)
- [Delivering infrastructure that Hampshire needs](#)
- [Ensuring that Hampshire is Energy and Climate Change Resilient](#)
- [Enhancing Hampshire's Quality of life](#)

A Prospering Hampshire

- [Maximize regeneration in Hampshire](#)
- [Enable businesses to thrive in Hampshire](#)
- [Reduce barriers to sustainable economic growth across Hampshire](#)

2. Impact on Crime and Disorder:

- 2.1. The County Council has a legal obligation under Section 17 of the Crime and Disorder Act 1998 to consider the impact of all the decisions it makes on the prevention of crime.
- 2.2. The proposals in this report are not considered to adversely affect the prevention of crime.

3. Climate Change:

- a) How does what is being proposed impact on our carbon footprint / energy consumption?

All relevant developments within the revenue budget and capital programme are subject to specific, detailed assessments. Energy conservation, and where applicable enhancing biodiversity, are priorities for all major building schemes and the revenue budget includes an allocation to specifically encourage sustainability initiatives.

- b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

As this is a general report covering the proposed budget for the department, it cannot set out detailed climate change implications. However, climate change implications of specific departmental issues are reflected in individual service plans and project reports where appropriate.

ECONOMY, TRANSPORT AND ENVIRONMENT SERVICES – SUMMARY OF SAVINGS PROPOSALS

Ref.	Savings Type	Risk To Delivery	Service Activity	Description	Impact / Issues	2013/14		Full year	
						£'000	FTE	£'000	FTE
<u>Economy, Transport and Environment Services</u>									
ETE 1	E	L	Highways	Safer Roads Partnership - activities of the partnership are now fully funded from income received by Hampshire Police Authority.	No impact on service delivery	(242)		(242)	
ETE 2	E	L	Highways	Re-procurement of the street lighting energy supply contract/more energy efficient operation.	No impact on service delivery	(300)		(300)	
ETE 3	E	L	Highways	Co-location of staff and rationalisation of smaller area offices.	Benefits anticipated from closer working between HCC staff and key partners	(100)		(100)	
ETE 4	E	L	Highways	Concessionary Fares Scheme administration efficiencies	No impact on service delivery	(300)		(300)	

Ref.	Savings Type	Risk To Delivery	Service Activity	Description	Impact / Issues	2013/14		Full year	
						£'000	FTE	£'000	FTE
ETE 5	I	L	Highways	Additional income both from successful bids for additional capital funding and more efficient delivery of schemes; can support greater staff costs releasing revenue salary funding.	No impact on service delivery	(200)		(200)	
ETE 6	E	L	All	Further housekeeping savings from ongoing programme of reviews	No impact on service delivery	(100)		(100)	
ETE 7	E	L	All	Further vacancy management	Minimal impact on service delivery assuming continued staff turnover at current rates	(169)		(169)	
Total Savings						(1,411)	0.00	(1,411)	0.00

Economy, Transport & Environment Department

Review of income 2013/14

	Current charge £	Total income (Budget 2013/14) £000	Date of last review	Planned date for next review	Proposed increase (if proposed now)	Proposed new amount £	Additional income from increased or new charge? Yes/No
<u>Mandatory/National Charges</u>							
Planning Application Fees ⁽¹⁾	Various	293	Apr-12	Apr-13	15%	Various	Yes
<u>Discretionary Charges</u>							
Road Traffic Accident damage	Various	279	Apr-12	Apr-13	n/a	n/a	n/a
District and Parish street lighting maintenance	Various	577	Apr-12	Apr-13	n/a	n/a	n/a
Rents from Highways properties	Various	339	Apr-12	Apr-13	n/a	n/a	n/a
Trench Inspection fees	NRSWA	698	Apr-12	Apr-13	n/a	n/a	n/a
Highways external income	Various	556	Ongoing	Ongoing	n/a	n/a	n/a
Highways external contributions	Various	988	Ongoing	Ongoing	n/a	n/a	n/a
Other Highways	Various	590	Apr-12	Apr-13	n/a	n/a	n/a
Parking	Various	2,763	Apr-12	Apr-13	n/a	n/a	n/a
Land Search fees	£18.50	315	Oct-12	Oct-13	n/a	n/a	n/a
Land Search/other planning	Various	328	Apr-12	Apr-13	n/a	n/a	n/a
Research and information	Various	65	Apr-12	Apr-13	n/a	n/a	n/a
Community Transport District Council contributions	Various	473	Ongoing	Ongoing	n/a	n/a	n/a
Bus Contract contributions	Various	358	Ongoing	Ongoing	n/a	n/a	n/a
Cross-boundary bus services	Various	197	Ongoing	Ongoing	n/a	n/a	n/a
Other Passenger Transport charges and contributions	Various	117	Apr-12	Apr-13	n/a	n/a	n/a
Commercial use of incinerators	Various	1,867	Apr-12	Apr-13	n/a	n/a	n/a
Trade waste	Various	1,000	Jan-12	Jan-13	n/a	n/a	n/a
Waste Management - rent	Various	778	Apr-12	Apr-13	n/a	n/a	n/a
Waste Management - ferrous income	Various	400	Apr-12	Apr-13	n/a	n/a	n/a
Waste Management – commercial dry mixed recyclables	Various	260	Apr-12	Apr-13	n/a	n/a	n/a

	Current charge £	Total income (Budget 2013/14) £000	Date of last review	Planned date for next review	Proposed increase (if proposed now)	Proposed new amount £	Additional income from increased or new charge? Yes/No
Waste Management – WEEE	Various	170	Apr-12	Apr-13	n/a	n/a	n/a
Waste Management – other	Various	454	Apr-12	Apr-13	n/a	n/a	n/a

⁽¹⁾ National fees have not been uplifted for inflation for several years – the increase in 2013/14 reflects this.

**Economy, Transport and Environment Department
Budget summary 2013/14**

Service Activity	Original Budget 2012/13 £000	Revised Budget 2012/13 £000	Proposed Budget 2013/14 £000
Highways Maintenance	31,065	31,290	32,848
Road Safety	869	758	869
Safer Roads Partnership ⁽¹⁾	330	-60	0
School Crossing Patrols	1,212	1,212	1,122
Traffic Surveys	256	256	87
Parking Services	-95	-95	-95
Public Transport	18,492	17,928	18,179
Rural Bus Subsidy Grant	1,073	1,073	984
Staffing and Operational Support – Highways and cross-departmental	16,263	15,216	14,431
Total Highways, Traffic and Transport	69,465	67,578	68,425
Planning and Development	2,832	3,109	2,488
Waste Management Contract	33,234	35,941	36,489
Waste Management Non-Contract	1,069	1,114	1,171
Chichester Harbour Conservancy	179	179	183
Total Waste, Planning and Environment	37,314	40,343	40,331
Economic Development	897	845	845
Rural Affairs	0	167	200
Total	107,676	108,933	109,801

(1) Activities of the Safer Roads Partnership are now directly funded by income to the Police and Crime Commissioner. The revised 2012/13 budget includes an allowance for the return of unspent partnership balances.

Economy, Transport and Environment Department Workforce implications

Service Activity	Estimated Staff Numbers (full-time equivalent) 31.3.2013	Transfers & Other Changes	Impact of Savings Proposals	Estimated Staff Numbers (full-time equivalent) 31.3.2014
Highways, Traffic and Transport	615	3	0	618
Waste, Planning and Environment	101	3	0	104
Economic Development	23	-6	0	17
Total	739	0	0	739

The reduction of 6 ftes in Economic Development is represented by the transfer of one post to Finance and one internal transfer within the Department together with four posts funded by temporary external funding streams which ended during 2012/13.

The balancing changes across the rest of the department are represented by a net reduction of 3 ftes transferred to other Departments, a tightening of the turnover savings target equivalent to 5 ftes, 13 ftes supported by new funding and the one fte internal transfer (from Economic Development).

The changes had not been finalised when the 2012/13 budget was set and were therefore not included in the original estimated staff numbers 31.3.2013.

No reductions to ftes resulting from the savings proposals in this report are required in 2013/14.