

**HIGHWAYS AND TRANSPORT OVERVIEW AND SCRUTINY**  
**COMMITTEE**  
**20 JANUARY 2022**

**MEDIUM TERM FINANCIAL STRATEGY 2022/23 – 2025/26**

**MINUTE EXTRACT**

Medium Term Financial Strategy 2022/23 – 2025/26

The Committee considered a joint report of the Director of Environment and Transport and the Director of Corporate Resources which provided information on the proposed 2022/23 to 2025/26 Medium Term Financial Strategy (MTFS) as it related to the Highways and Transport side of the Environment and Transport department. A copy of the report marked 'Agenda Item '9' is filed with these minutes.

The Chairman welcomed Mr. O. O'Shea CC, Cabinet Lead Member for Highways and Transport, to the meeting for this item.

Arising from discussion, the following points were noted:

Growth

- (i) The largest growth item was Special Educational Needs (SEN) transport with £1.2 million to be spent over the base budget rising to £5.15 million by 2025/26. In Leicestershire approximately 2,500 children were using SEN transport and the costs amounted to one third of the whole Highways and Transport budget. Some children needed escorts or medically trained escorts, and some children were unable to be transported with other children due to behavioural issues and therefore required solo transport which were some of the reasons why the transport was so costly. Currently the County Council's own fleet was used to transport some of the children and consideration was being given to whether the fleet could be used more in the future rather than via private taxi contracts. One of the challenges for this approach was that the children for a particular educational setting could reside far away from each other and therefore it would be difficult for them to share the same vehicle without having to spend too long in the vehicle. Members were of the view that closer scrutiny needed to be given to SEN transport and in particular consideration needed to be given to whether the County Council was the appropriate organisation to fund all the SEN transport costs.
- (ii) Whilst the use of Hydrotreated Vegetable Oil (HVO) was a growth item with an up front cost of 0.06 million it had the benefit of reducing the Council's use of diesel fuel and therefore the fleet's emissions.

- (iii) Highways maintenance work came under both the revenue and capital elements of the budget. The Department for Transport had given indicative allocations for Highways maintenance for 2022/23. Over the past few years the allocation had been very similar each year and when inflation was taken into account this meant a reduction in real terms.

#### Other factors influencing MTFS delivery and other funding sources

- (iv) There were concerns about the future viability of the public transport market and in particular that bus operators would cease to run some services. The Bus Recovery Grant had been set up to support commercial bus operators due to the impacts of the Covid-19 pandemic on patronage however this scheme was due to end shortly. The County Council was intending to write to the Department for Transport asking for the Grant to be extended for a longer period of time.

#### Capital Programme

- (v) In response to a question from a member in relation to Zouch Bridge it was explained that the setting up of toll gates on highways required specific legislation and there were no plans for tolls in Leicestershire.
- (vi) The Capital Programme for the MTFS period 2022/23 - 2025/26 allowed for £152.15million to deliver major infrastructure schemes including Advanced Design Programmes worth £12.10. These Programmes included feasibility work for large projects as well as cycling and walking initiatives.
- (vii) Some of the costs of diverting traffic away from Melton Mowbray town centre i.e signage had been included in the scheme costs for the Melton Mowbray Distributor Road however additional money would also need to be spent for this purpose and this funding would come from the wider Melton Mowbray Transport Strategy.
- (viii) External funding had been received from the National Productivity Infrastructure Fund (NPIF) for two road junctions in Hinckley where Rugby Road met Brookside. In total the project would cost £5 million and £3.5 million of that would come from the NPIF and the remainder from Developer contributions and match funding. The work was due to begin in April 2022.

#### RESOLVED:

- (a) That the report and information now provided be noted;
- (b) That the Committee recommends that further scrutiny should take place of the SEN transport budget;
- (c) That the comments now made be forwarded to the Scrutiny Commission for consideration at its meeting on 31 January 2022.