

Joint Scrutiny Panel of Somerset Waste Board

Wednesday 13 February 2019

2.00 pm Broughton House, Blackbrook
Park Avenue, Taunton



SUPPLEMENT TO THE AGENDA

To: The Members of the Joint Scrutiny Panel of Somerset Waste Board

We are now able to enclose the following information which was unavailable when the agenda was published:

****PUBLIC GUIDANCE NOTES CONTAINED IN AGENDA ANNEXE****

Item 1	Apologies for absence
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Item 2	Declarations of Interest Details of all Members' interests in District, Town and Parish Councils will be displayed in the meeting room. The Statutory Register of Member's Interests can be inspected via the Democratic Services team.
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Item 3	Minutes from the previous meeting held on 6 December 2018 (Pages 5 - 8) The Committee is asked to confirm the minutes are accurate.
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Item 4	Public Question Time The Chairman will allow members of the public to ask a question or make a statement about any matter on the agenda for this meeting. These questions may be taken during the meeting, when the relevant agenda item is considered, at the Chairman's discretion.
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Item 5	Matters Arising
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Item 6	Resource and Waste Strategy Update (Pages 9 - 14) To receive the report.
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Item Joint Scrutiny Panel of Somerset Waste Board - 2.00 pm Wednesday 13 February 2019

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Item 7	Recycle More and Collection Contract Procurement Update (Pages 15 - 20) To receive the report
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Item 8	Financial Performance Update 2019-2019 and Final Budget 2019-2020 (Pages 21 - 30) To receive the report
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Item 9	Any other urgent items of business The Chairman may raise any items of urgent business.
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Published on 07 February 2019

Democratic Services, B3E, County Hall

Agenda Annexe

Guidance notes for the meeting

1. Inspection of Papers

Any person wishing to inspect Minutes, reports, or the background papers for any item on the Agenda should contact the Committee Administrator for the meeting – Carol James on Tel: (01823) 356859, Email: CDJames@somerset.gov.uk or Jamie Jackson on Tel: (01823 359040) or JAJackson@somerset.gov.uk They can also be accessed via the council's website on www.somerset.gov.uk/agendasandpapers

2. Members' Code of Conduct requirements

When considering the declaration of interests and their actions as a councillor, Members are reminded of the requirements of the Members' Code of Conduct and the underpinning Principles of Public Life: Honesty; Integrity; Selflessness; Objectivity; Accountability; Openness; Leadership. The Code of Conduct can be viewed at: <http://www.somerset.gov.uk/organisation/key-documents/the-councils-constitution/>

3. Minutes of the Meeting

Details of the issues discussed and recommendations made at the meeting will be set out in the Minutes, which the Committee will be asked to approve as a correct record at its next meeting.

4. Public Question Time

If you wish to speak, please submit your question in writing to Carol James or Jamie Jackson 3 clear working days before the meeting.

At the Chair's invitation you may ask questions and/or make statements or comments about any matter on the Committee's agenda – providing you have given the required notice. You may also present a petition on any matter within the Committee's remit. The length of public question time will be no more than 30 minutes in total.

A slot for Public Question Time is set aside near the beginning of the meeting, after the minutes of the previous meeting have been signed. However, questions or statements about any matter on the Agenda for this meeting may be taken at the time when each matter is considered.

You must direct your questions and comments through the Chair. You may not take direct part in the debate. The Chair will decide when public participation is to finish.

If there are many people present at the meeting for one particular item, the Chair may adjourn the meeting to allow views to be expressed more freely. If an item on the Agenda is contentious, with a large number of people attending the meeting, a representative should be nominated to present the views of a group.

An issue will not be deferred just because you cannot be present for the meeting. Remember that the amount of time you speak will be restricted, normally to two minutes only.

5. Exclusion of Press & Public

If when considering an item on the Agenda, the Committee may consider it appropriate to pass a resolution under Section 100A (4) Schedule 12A of the Local Government Act 1972 that the press and public be excluded from the meeting on the basis that if they were present during the business to be transacted there would be a likelihood of disclosure of exempt information, as defined under the terms of the Act.

6. Committee Rooms & Council Chamber and hearing aid users

To assist hearing aid users the Committee meeting rooms have infra-red audio transmission systems.

7. Recording of meetings

The Council supports the principles of openness and transparency. It allows filming, recording and taking photographs at its meetings that are open to the public - providing this is done in a non-disruptive manner. Members of the public may use Facebook and Twitter or other forms of social media to report on proceedings and a designated area will be provided for anyone wishing to film part or all of the proceedings. No filming or recording may take place when the press and public are excluded for that part of the meeting. As a matter of courtesy to the public, anyone wishing to film or record proceedings is asked to provide reasonable notice to the Committee Administrator so that the relevant Chair can inform those present at the start of the meeting.

We would ask that, as far as possible, members of the public aren't filmed unless they are playing an active role such as speaking within a meeting and there may be occasions when speaking members of the public request not to be filmed.

The Council will be undertaking audio recording of some of its meetings in County Hall as part of its investigation into a business case for the recording and potential webcasting of meetings in the future.

A copy of the Council's Recording of Meetings Protocol should be on display at the meeting for inspection, alternatively contact the Committee Administrator for the meeting in advance.

JOINT SCRUTINY PANEL OF SOMERSET WASTE BOARD

Minutes of a Meeting of the Joint Scrutiny Panel of Somerset Waste Board held in the Monmouth House, Blackbrook Park Avenue, Taunton TA1 2PX, on Thursday 6 December 2018 at 10.00 am

Present: Cllr Aldridge, Cllr P Bradshaw, Cllr M Lewis, Cllr L Leyshon, Cllr D Loveridge, Cllr Mansell, Cllr Parbrook and Cllr L Perry

Other Members present:

Apologies for absence: Cllr N Cottle, Cllr C Goodall, Cllr Gunner and Cllr M Wale

28 **Declarations of Interest - Agenda Item 2**

Cllr Loveridge declared a pecuniary interest as a Director of Homes in Sedgemoor.

29 **Minutes from the previous meeting held on 23 July 2018 - Agenda Item 3**

The minutes of the meeting on 23 July 2018 were accepted as being accurate by the panel and signed by the Chair.

30 **Public Question Time - Agenda Item 4**

There were no public questions.

31 **SWP Business Plan 2019-24 - Agenda Item 5**

The Panel considered a report which outlined the Somerset Waste Board's requirement to annually approve a rolling five-year business plan covering 2019-2024.

The vision for the next 5 years is to focus on 3 areas: -

- Delivering excellent services
- Changing behaviours
- Building our capability

The Somerset Waste Board is required to annually approve a rolling five-year business plan and the Partnership is seeking approval and feedback from all partner authorities before final approval by the Board on 14 December 2018.

The Panel discussed the plan in depth, making the following suggestions: -

- To add clear and simple guidance on what and where you can recycle to the website. There is still confusion as to which plastics can be recycled and where.
- To also put a sticker on the outside of bins detailing this – tick for yes and cross for no.
- To develop teaching resources on the website to encourage the education of waste matters. The Panel were informed that the re-introduced education programme with schools has been started. Education is beyond the statutory duties of the Partnership so funding for this can be difficult. The panel requested an update at a future meeting about how the website could support this.

- To include reference to plastic pledge card.
- To increase the number of Re-Use Shops at recycling centres.
- To change the Quality section of Our values on p17 of the report to read as follows- “and making the best use of the waste we collect” to be changed to be made stronger with three words to – “and making the best use of waste and environmental benefit from the waste we collect”.

The Panel expressed concerns about opening hours of some recycling centres and site management activities taking place during open hours causing more delays and queues.

A member of the Panel asked about the planned review of van/trailer permit scheme. A response will be give outside of meeting in relation to double-axle charges will be made.

A panel member asked what happens to human hair when you must have a licence for it to be collected? A Response will be provided outside of the meeting.

The panel asked for an update on the structural review of the partnership which is currently under way. There have been considerable changes since services were initially procured. Services need to keep pace with technological advances and use this to improve service delivery. New IT has implications for training and management of technology, so the service is being reviewed to ensure that it is fit for the future. The panel asked if this will this be approved by the Board and reviewed by Scrutiny before going live. It was clarified that this re-structure has already been approved by the board. The panel requested a that a copy of this paper be circulated to the Scrutiny Panel.

A Member commented that homes with multiple occupancy have numerous bins that should be a planning issue and not a regulation issue. The panel agreed supporting the lobby of government to make waste services a material planning consideration.

A member of the panel asked if the drivers are adequately trained after seeing someone throw a plastic case into the back of the lorry. It was clarified that they are trained, but acknowledged that mistakes are made, or the driver could have been an agency worker.

It was clarified that the income from green waste subscriptions stays in the relevant district and does not come to the Partnership. The costs of the service are calculated for each district and re-charged depending on the number of subscribers.

Following a vote, the Panel approved the SWP Business Plan with comments and expressed appreciation for its comprehensive detail.

On the 2 November 2018 the Somerset Waste Board agreed to extend the Core Services Contract held with Viridor Ltd, for up to an additional 9 years (to 31st March 2031 from its current end date in March 2022).

A panel member questioned whether better savings have been achieved if the contract had gone out to tender rather than extending contracting. It was clarified that benchmarking will have taken place to inform this decision and that projections were that greater benefit would be achieved through an extension rather than taking the risk of re-tendering. Risk appetite of bidders has changed substantially.

Panel Members questioned what legal advice the Board took before making this decision. The Panel requested reassurance that appropriate legal advice was given to the Board before they took this decision.

The Panel highlighted the need for proposals to come before scrutiny before taken for decision to the Board.

It is believed that all the initial project objectives have been either met or exceeded;

- best value (compared to Somerset's peer authority group in terms of service provision and where possible comparable costs), - although cost comparable data is not readily available it is believed the Viridor offer achieves this objective
- capable of delivering Somerset County Council's savings requirements (both now and any reasonably foreseeable potential future requirements),
- in line with SWP's vision, the implementation of Recycle More and doesn't shunt costs to other SWP partners,
- expected to meet the forecast recycling site need of Somerset's residents and better aligning the network hours to the way the public wish to use the sites,
- not likely to suffer a successful legal challenge,
- delivering an appropriate level of social value.

That the Joint Waste Scrutiny Panel noted:

- 1. the extension of the Core Services Contract with Viridor Ltd to March 2031.**
- 2. the modification of the recycling site opening hours in line with Appendix 1, with effect from 1st April 2019.**
- 3. the use of the savings identified from the modification of the closed landfill management criteria to safeguard the continuance of the Community Sector Integration Plan for the extended contract term.**
- 4. the monitoring of future use of the Crewkerne & Dulverton Community Recycling Sites during the period April to September 2019 with a view of potentially removing the entrance fee charges from October 2019 to offset the significantly reduced operational hours at these sites.**

This report summarises progress in procuring a new collection contractor (and hence delivery of Recycle More).

It was highlighted that this is a current procurement with some detail remaining under confidentiality. The Panel agreed not to move into confidential session and not to discuss the names or number of bidders.

A new Service Task and Finish Group was set up to finalise a dry recyclate risk share mechanism consistent with a 50/50 risk sharing principle. The next steps were highlighted in a flow chart and the panel were informed of the tender deadline dates.

The Joint Waste Scrutiny Panel noted the progress made in procuring a new collection contract.

34 Date and Chair for next meeting - Agenda Item 8

The Panel agreed to circulate a date via email with an aim to take part before the March Board meeting.

Cllr Aldridge made a proposal that Cllr Lewis be elected as the on-going Chair of the Panel. This was seconded by Cllr Loveridge and carried unanimously following a vote.

35 Any other urgent items of business - Agenda Item 9

It was noted that Cllr Perry has difficulty in accessing the agenda electronically and it was agreed to email the link to this to Steve Taylor at Sedgemoor District Council for future meetings.

(The meeting ended at 12.00 pm)

CHAIRMAN

Somerset Waste Board meeting
15th February 2019
Report for information

Resources and Waste Strategy Update

Lead Officer: Mickey Green, Managing Director

Author: Julie Searle, Development and Monitoring Officer

Contact Details: 01823 625717

Forward Plan Reference:	SWB/19/01/02
Summary:	<p>The Resources and Waste Strategy was released in December 2018. It is the first major piece of guidance for the waste industry since 2013 and will form the basis of policy for the next few years.</p> <p>Most of the policies are subject to consultation and we are expecting consultations on Extended Producer Responsibility, Deposit Return Schemes and Consistency in Recycling early in 2019. Changes are not likely to be brought in until 2023 and until policy is finalised the overall impact for Somerset and for SWP is hard to assess.</p>
Recommendations:	<p>That the Somerset Waste Board notes the contents of this report and discusses the implications of the proposed policies.</p>
Reasons for recommendations:	<p>To ensure the board are kept up to date with developments in the waste sector. The Strategy will provide the basis of future policy which will affect all authorities in Somerset, and SWP will be responding to consultations on the key proposals.</p>
Links to Priorities and Impact on Annual Business Plan:	<p>Business Plan 2019-24</p> <p>1.4 Reviewing Services - Recycling centre material charges 2.1 Focus on Plastics - Reducing reliance on single use plastic, carrier bag charges 2.2 Campaigns - Food waste, increasing quality recycling 2.5 Community Engagement - Developing partnerships with others 3.2 Strategy and Influence - Developing SWP's strategy, responding to consultations 3.3 Ensure homes are built with waste in mind – Linking planning policy with the strategy 3.4 Improving performance monitoring – A move from weight-based targets, carbon reporting.</p>

Financial, Legal and HR Implications:	<p>Information update only.</p> <p>There are major potential financial implications from key policies such as Deposit Return Scheme and Extended Producer Responsibility, and significant potential legal changes such as the possibility of free garden waste collections and charging for materials at Recycling Centres, but we do not have the details of these policies yet, so the implications are still uncertain.</p>
Equalities Implications:	<p>N/A – Information update only.</p>
Risk Assessment:	<p>The Risk Register has been updated with the risks relating to the strategy. Key risks include the loss of valuable material through a DRS scheme, potential implementation of free garden waste collections, changes to charges at Recycling Centres. There may also be opportunities with Extended Producer Responsibility – particularly if it extends to other difficult to recycle materials such as carpets, furniture and mattresses.</p>

1. Background

- 1.1. The Resources and Waste Strategy is the first major piece of guidance for the industry since the 2011 Waste Review and the 2013 Waste Prevention Programme.
- 1.2. England has lagged behind Wales and Scotland in the form of waste policy and the current recycling rate for England is at 44.8% (having largely stagnated for a few years) compared to 62.7% for Wales and 45.6% for Scotland. SWP's 2017/18 recycling rate was 52.3%.
- 1.3. SWP is recognised in the Strategy (under 'Better waste collection and recycling') for its commitment to collecting quality materials for recycling through its kerbside collection service, how much it recycles in the UK (over 90%), and its innovation in bringing in separate food waste collections. SWP is honoured that it's the only Local Authority case study in the whole of the Government's strategy, recognising our commitment to quality.

Key areas of the strategy:

- Extended Producer Responsibility (producers to pay the full cost of recycling and disposing of their packaging)
- Reducing reliance on single-use plastics and increasing the carrier bag charge
- Deposit Return Scheme for beverage containers
- Separate food waste collections for all, and possibly free garden collections for all.
- Consistency in recycling and improving quality
- Developing Reuse
- Reviewing charging arrangements at Recycling centres

- Reviewing recycling credits
 - Aligning national planning policy with the waste strategy
 - Moving away from weight-based targets with a change in focus from waste to resources
 - Focus on waste crime and development of a national fly-tipping toolkit
 - Potential for a tax on energy from waste if other measures are not successful.
- 1.4. The strategy states that local authorities will receive additional resource to meet set up and ongoing costs of implementing the policies in the strategy but does not provide any further detail at this stage.
- 1.5. The industry reaction to the strategy has been broadly positive, but there is a lack of detail around the key policies as they will be subject to consultation. We expect consultations on Extended Producer Responsibility, Deposit Return Schemes and Consistency in collections early in 2019. Changes are not likely to be brought in until 2023 and until policy is finalised the overall impact for Somerset and for SWP is hard to assess.

Policies potentially affecting kerbside collections

- 1.6. Extended Producer Responsibility should result in businesses and manufacturers paying the full cost of recycling and disposing of their packaging – this is clearly a top priority for Government. We do not yet have detail on how these funds may flow to Local Authorities. This is a potential game-changer as it should drive industry to invest in and develop more sustainable packaging, and that which is easier to recycle.
- 1.7. A Deposit Return Scheme (DRS) on drinks containers is likely to increase national capture rates of drinks containers and reduce littering, but this could have a negative financial impact on SWP because aluminium is one of the more valuable kerbside materials, so removal of aluminium beverage cans would remove a significant amount of value from recyclate. Plastic bottles are a high-quality material and removal of some of these through a DRS would leave a larger proportion of low quality, lower value pots, tubs and trays in the recycling stream. As yet we are unclear about which materials are included, so will look for further detail when the consultation is launched.
- 1.8. To increase high-quality recycling and reduce food waste to landfill, all households and appropriate businesses to have separate food waste collection by 2023 (subject to consultation). The consultation will also explore whether free garden waste collections should be provided to households. The provision of free garden waste collections could have a significant impact on district incomes. Garden waste is estimated to be 7% by weight (15% by volume) of the existing residual bin in our 2018 waste composition analysis, but the provision of free collections may reduce the number of people taking garden waste to Recycling Centres or home composting (which is the best environmental option) so kerbside yields would likely increase significantly. Again, there is no detail in the strategy about how this may be funded. We will try and quantify the potential worst-case impact.

- 1.9. Consistency: a core set of materials to be collected by all LAs and Government to consider which collection systems would be most effective at preserving material quality. This is subject to consultation, likely to be parallel with EPR/DRS consultation in early 2019. SWP expect that kerbside sort (SWP's system) will be a recommended approach, given the strategy's emphasis on quality and SWP's inclusion as a case study.
- 1.10. Recycling Credits: Government will review recycling credits and two-tier cost sharing, and also how to improve joint working in two tier areas. There is no further detail about this yet, but we have an action to review this in the Business Plan (1.1.8) post-Recycle More implementation.

Policies potentially affecting Recycling Centres

- 1.11. Government will review the charging arrangements in the Controlled Waste Regulations and Recycling Centre services and amend them subject to consultation. This could have a negative financial impact on SWP (SCC) and the many other local authorities who currently charge for non-household waste (e.g. rubble).
- 1.12. The strategy also indicates that Government are considering minimum service standards for Recycling Centres. There is no clarity on what this might cover, but it may include setting standards for Recycling Centres per population.
- 1.13. Government want to increase reuse through Recycling Centres possibly through contracts with charities and encouraging more reuse shops at Recycling Centres (like SWP has at Priorswood). Legislation will be amended to make this easier, and possible reuse targets for LAs.

Other proposals:

- 1.14. There is a welcome focus on reuse and repair, including support for Refill (which SWP coordinates for Somerset), a potential performance assurance scheme for remanufactured items, changes to national planning policy to support reuse and repair, and potentially schemes for companies to be able to report on their reuse and repair and recycling activities.
- 1.15. It is welcome that Government recognises the crucial role that EfW plays in a responsible waste management system. There is a clear drive to improve the efficiency of EfW plants, including through encouraging heat networks. There remains a threat that if the new measures proposed (DRS, EPR, increased recycling etc) do not provide the required results, an incineration tax will be considered. Clearly this would be a very significant financial burden on SWP, and we consider it unlikely to achieve the desired policy objectives.
- 1.16. Businesses will be required to present recycling and food separately from residual waste and publish or make available information on what is recycled. Subject to consultation, food waste reporting will be made mandatory for businesses of a certain size and Government will seek powers for mandatory food waste prevention targets and surplus food redistribution obligations. All 'appropriate businesses' will be required to have separate food waste collection by 2023 (subject to consultation). Shared services will be investigated to help reduce costs – this is an area SWP is interested in exploring with local areas.

There is also a commitment to work with transport hubs, hospitals and universities to promote high quality and on the go recycling.

- 1.17. Government commits to reviewing recycling provision in urban areas, engaging with landlords to promote recycling in HMOs, aligning the National Planning Policy for Waste and planning practice guidance with the Resources and Waste Strategy. Given SWP's focus on ensuring that buildings are built with waste in mind this is very welcome. The Waste Management Plan for England will be reviewed in 2019 and this and National Planning Policy for Waste to reflect policies in this Strategy.
- 1.18. A continued focus on reducing our reliance on single-use plastics. In addition to EPR and DRS, this will include (subject to consultation) government increasing the carrier bag charge to a proposed 10p and extending it to all retailers. The carrier bag charge consultation is currently running and ends on 22nd February 2019. <https://consult.defra.gov.uk/environmental-quality/extending-the-single-use-bags-charge/>
- 1.19. Food waste is a clear area of focus, where Government recognises that Anaerobic Digestion is the best way of treating food waste (as SWP do at Walpole, near Bridgwater). In addition to focussing on household and business food waste collections, proposals include setting up a pilot scheme to reduce food waste through redistribution, creating a new 'Food Standard' will for NHS hospital trusts with sustainability and food waste as key priorities, developing and promoting WRAP guidance in schools, and incorporating food waste messages into wider communications on topics such as health and education.
- 1.20. Government commits to continuing to work with partners to develop a shared vision and improve data collection. This will include developing new metrics and indicators for measuring impacts, moving away from weight-based targets. It will also aim to change from a focus on waste to a focus on resources, including measuring waste higher up the waste hierarchy. SWP welcomes this and will seek to work with Government on this. We are already looking towards carbon reporting for our waste services using the Scottish Carbon Metric.
- 1.21. There is a welcome focus on waste crime, including creating a national fly tipping toolkit will be created to help LAs work together, share good practice and advice.
- 1.22. Overall SWP is well-placed to deal with many areas of the strategy. We already offer food waste collections to the majority of households and offer a high-quality kerbside sort recycling collection. A deposit return scheme and the potential for free garden waste collections are a concern, as is the possibility of removal of charges for non-household waste at Recycling Centres and an incineration tax. However, there may be opportunities with the introduction of extended producer responsibility which may extend to other difficult to recycle items such as carpets, mattresses and furniture as well as packaging. We will look for further details and respond to the consultations as they arrive.

2. Options Considered and reasons for rejecting them

- 2.1. N/A - Report for information purposes only

3. Consultations undertaken

- 3.1. Discussed at SMG in February.

4. Implications

- 4.1. Report for information purposes only – no implications recorded.

We will be responding to consultations and working with all partners to do so. We will also work across the SW and with LA partners nationally to influence the policies.

5. Background papers

- 5.1. The Resources and Waste Strategy - https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/765914/resources-waste-strategy-dec-2018.pdf

Somerset Waste Board meeting
15 February 2019
Report for decision

Recycle More & Collection Contract Procurement: Update

Lead Officer: Mickey Green, Managing Director

Author: Mickey Green, Managing Director

Contact Details: 01823 625707

Forward Plan Reference:	SWB/18/10/03
Summary:	This report summarises progress in procuring a new collection contractor (and hence delivery of Recycle More).
Recommendations:	It is recommended that the Board notes the progress made in procuring a new collection contract, in particular the reason for the change in date of the March Board meeting, and the proposed contingency plan should there be any further delay to the procurement programme.
Reasons for recommendations:	To ensure that the Somerset Waste Board is kept up to date with this major procurement exercise and has the opportunity to shape the approach taken.
Links to Priorities and Impact on Annual Business Plan:	The procurement delivers Task 5.2 within the SWB Approved Business Plan 2018-23 concerning the implementation of future collection arrangements.
Financial, Legal and HR Implications:	<p>In addition to delivering the environmental benefits of Recycle More a new collection contract aims to deliver significant savings to all partners, through reduced contract costs, lower disposal costs and additional recycling credits for district partners – estimated in total at up to £1.7m. It has been evident from soft market testing and dialogue that all potential suppliers are becoming more risk averse, and that there is considerable uncertainty in the markets for recycled materials. A robust procurement process has been developed to realise these benefits, enable potential suppliers to propose innovative solutions to meet our environmental and financial objectives, and ensure that risks are shared appropriately. Collection Contractor staff will TUPE transfer to the new contractor.</p> <p>On Thursday 2 May 2019 elections will be held for all of the District Councils in Somerset. This will include the elections to the new Somerset West and Taunton Council, which will replace the</p>

	current Taunton Deane and West Somerset Councils from 1 April 2019. The pre-election period starts on Monday 18 March and will run until Election Day on Thursday 2 May. Advice from community governance has been taken and reflected in the proposed decision-making timetable set out in paragraph 3.1.
Equalities Implications:	An Equalities Impact Assessment was undertaken when the Board approved Recycle More, and SWP updated this ahead of the procurement. It will be updated and provided to the Board when they are making a final decision on the preferred contractor in March 2019.
Risk Assessment:	The risks related to the procurement of a new collection contractor and Recycle More have been reviewed and are set out in the updated risk register. The procurement implications of potential Brexit scenarios have been considered, though clearly there are wider risks to SWP from Brexit.

1. Background

- 1.1. A progress report on the procurement of a new waste and recycling collection contractor was presented to the Board in December 2018, and in confidential session the Board approved the approach to the dry recycling risk share mechanism consistent with a 50/50 risk sharing principle, and delegated authority to the Managing Director to finalise the mechanism. The mechanism has been finalised in line with the approach discussed with the board. Through discussion in dialogue sessions all Bidders are content with the proposed risk share mechanism.

Recognising SWP's commitment to improving environmental outcomes, the Board also agreed in December 2018 to establish a 'Somerset Waste Enhanced Environmental Performance' fund (SWEEP). This will be jointly funded by SWP and our future collection contractor through a top-slice of 2% of the recycling income due to partners and 2% due to the contractor – around £140,000 each year. The fund will deliver behavioural change work within Somerset with the objective of increasing reuse and recycling of municipal waste and achieving the environmental improvements associated with increased recycling and reuse. A Joint Management Board (involving contractor senior managers and SWP officers and members) will oversee the fund and monitor the impact and cost effectiveness of activities undertaken. This is in addition to the social value expectations that SWP already had through this procurement exercise.

2. Progress since the last update

- 2.1. The planned dialogue sessions held before Christmas with bidders focussed on resolving the remaining issues necessary to ensure that all bidders could submit value for money bids. This included ensuring all parties were comfortable with a small number of remaining legal issues and further consideration of some of the issues in relation to Depots. The focus of SWP officer work has accordingly been finalising the suite of contractual documents which it was intended to circulate in early January 2019. The finalisation of drafting, in particular related to the depot

works rather than the waste services elements of the contract, necessitated expert external legal advice and took longer than anticipated. Concluding this work, sharing it with bidders, and scheduling an additional dialogue session with bidders in late January means that SWP were not in a position to close dialogue and issue final tender documents until 30 January

3. Next Steps

- 3.1.** The additional work necessary on the contractual documents means that it is no longer possible to have completed the evaluation and moderation of bids ahead of the planned 15 March Somerset Waste Board meeting. Accordingly, a number of changes to the timetable have been made, and it is proposed to reschedule the 15 March Board meeting to 29 March. It is expected that at this meeting the board will be in a position to appoint a preferred bidder, exactly as was planned for the 15 March meeting. The identity of the preferred bidder will not be made public at that point, because we will then enter the contractual standstill period before we can award the contract and publicly announce the successful bidder, expected to be in mid-May. Consultation with SCC Community Governance has confirmed that this decision can be taken in the District Council pre-election period because it is part of a planned contract award, there will be no public announcement until after the contractual standstill period, and because all of the key political decisions have already been taken, i.e. to outsource, to agree recycle more, the approach to sharing risks, and to agree the target level of savings.

The timetable to complete evaluation and moderation in time to publish board papers ahead of the 29 March meeting is incredibly tight. Any further delays or unforeseen issues arising will mean that the Board may not be in a position to take a decision to appoint a preferred contractor on 29 March. Should this risk arise, then the fall-back option is that the Board will be updated on where we have got to in the evaluation process and will be asked to delegate decision making to the SWP Managing Director (in consultation, for example with the Chair and Vice-Chair) to select a preferred bidder, providing it is compliant and affordable. Whilst an undesirable fall-back option, if there is further delay then this may be the only option to ensure a smooth mobilisation and service commencement because:

- we cannot realistically schedule a SWB meeting after 1 April as no members from TDBC or WSDC will be able to attend (in effect those authorities do not exist from 1 April), and no members for the new authority will be in place until after elections to Somerset West and Taunton Council on 2 May
- Delaying a decision until after District Council elections would realistically mean that a decision could not be taken until the 28 June Board meeting, as it will take time for each partner authority to confirm its waste board members. Such a delay would have consequences for the mobilisation period (for example when orders for new vehicles could be placed) and hence put the effective handover of services from Kier to a new contractor in 2020 at risk.

Meetings of the member New Service Task and Finish Group (non-decision making), and partner officers (through both the Strategic Management Group and meetings of s151 officers) will be scheduled for 22 March ahead of finalisation and circulation of a confidential decision paper to the SWB ahead of the 29 March meeting. The timetable going forward is as follows:

Phase	Time	Comments
Invitation to submit final tenders (ISFT)	30 Jan 2019	Publication of final specification reflecting the previous stages of the process
Deadline for submission of final tenders	27 Feb	This gives bidders the same amount of time that they previously had to finalise their tenders, and all bidders are aware of the proposed timeline
Evaluation & moderation of final tenders	To 21 March	This includes all activity necessary to identify the most economically advantageous tender. This timetable has already been reduced to the minimum viable period.
Partner meetings	22 March	Meetings with task and finish group, SMG and s151 officers ahead of sharing confidential paper with SWB
SWB decision on preferred contractor (confidential)	29 Mar	Affordability considerations will be key to the Board, and an Equality Impact Assessment will be part of the decision papers. A public paper will put as much information in the public domain as is possible, but this will not include information specific to individual bidders. Following the board decision bidders will be notified of the outcome and the standard contractual standstill period will be undertaken.
Public announcement of contract award	13 May	Expected date of public announcement of new contractor. Clearly if there are any concerns over the affordability of the bids then this may be delayed. Further clarity on borrowing may be required ahead of contract award.
Mobilisation	May 2019 – end March 2020	This is the period in which the new provider gears up to provide the services including procurement of vehicles, plant and equipment, and close engagement with staff.
Service Commencement	28 March 2020	The first collections by the new provider will be on Monday 30 March 2020.
Complete roll out of Recycle More	End of March 2022	The specification requires that Recycle More must be rolled out in 5 phases within 2 years of commencement, including a bedding in period of 3 months and allowing for a period of learning and reflection in March and April 2021.

4. Background papers

- 4.1.** Report to SWB “Recycle More” 16th December 2016.
- 4.2.** Report to SWB “Contractual Negotiations for Recycle More” 30 June 2017, Confidential Report to SWB “Contractual Negotiations and Procurement Strategy for Recycle More” 3 November 2017.
- 4.3.** SWP Business Plan 2018-23 Approved by SWP on 15th December 2018.
- 4.4.** Report to SWB “Recycle More & Collection Contract Procurement: Update” 23 February 2018
- 4.5.** Report to SWB “Recycle More & Collection Contract Procurement: Update” 29 June 2018
- 4.6.** Report to SWB “Recycle More & Collection Contract Procurement: Update” 28 September 2018

- 4.7.** Report to SWB “Recycle More & Collection Contract Procurement: Update” 2 November 2018, Confidential Report to SWB “Recycle More & Collection Contract Procurement: Consideration of ISDS submissions and approach to final tender specification” 2 November 2018.
- 4.8.** Report to SWB “Recycle More & Collection Contract Procurement: Update” 14 December 2018, Confidential Report to SWB “Recycle More & Collection Contract Procurement: Consideration of ISDS submissions and approach to final tender specification” 14 December 2018.

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Somerset Waste Board meeting
15 February 2019
Report for decision

Financial Performance Update 2018/2019 and Final Budget 2019/2020
Lead Officer: Mickey Green, Managing Director and Sarah Rose, Finance Officer
Author: Sarah Rose, Finance Officer and Martin Gerrish
Contact Details: serose@somerset.gov.uk

Forward Plan Reference:	SWB/18/12/01
Summary:	<p>The report sets out the financial performance against the approved Annual Budget for the first 9 months of the current financial year from April to the end of December (with January updates where available), and how this has impacted on a forward budget for 2019/2020.</p> <p>The Board is asked to approve a final Annual Budget for 2019/2020 in accordance with its Constitution and Inter Authority Agreement. (Both documents are available on the SCC internet or from the author).</p>
Recommendations:	<p>That the Somerset Waste Board:</p> <ul style="list-style-type: none"> • notes the summary financial performance to date as contained in this report, and how this will impact on the budgetary requirements for 2019/2020. • agrees to add any remaining vehicle lease budgets to the Recycle More earmarked reserve, towards the costs of delivering the project (paragraph 2.2 below). • approves the waste disposal savings set out in paragraph 3.2 of this report. • approves the attached final Annual Budget for 2019/2020 (totalling £46,243,485) as set out in Appendix 1. • approves that the Managing Director negotiates any final requirements with the relevant contractors in accordance with this Annual Budget Report.
Reasons for recommendations:	<p>The Board needs to be aware of the financial performance of the Somerset Waste Partnership as it delivers the approved Business Plan and delegated waste service functions, to ensure that it is being managed appropriately.</p>

	<p>There is a requirement within the revised Constitution for the Board to agree a final Annual Budget for the following year by the end of the previous February.</p> <p>Partner authorities will need final budget figures for their overall financial planning processes.</p>
<p>Links to Priorities and Impact on Annual Business Plan:</p>	<p>The Annual Budget is entirely linked to the Annual Business Plan and sets out the financial resources required to deliver the Plan and the waste collection and disposal services that have been delegated to the Somerset Waste Board. Financial monitoring will show how the Partnership is managing its resources as it delivers the Annual Business Plan.</p>
<p>Financial, Legal and HR Implications:</p>	<p>Any in-year underspends attributable to partners against the Annual Budget are traditionally made available for return or for reinvestment. Conversely, failure to stay within the Annual Budget for the Somerset Waste Partnership will directly impact on the partner authorities, who would be required to make good any shortfall at year end.</p> <p>When considering the Annual Budget for 2019/2020, current trends in demographic growth, service uptake and waste tonnages arising in 2018/2019 are a key contributory factor in shaping the forward budget.</p> <p>The Annual Budget, once finally approved, will become the new measure for our financial performance for 2019/2020.</p> <p>We will continue to share the costs amongst partners as set out in our Cost Sharing Agreement.</p> <p>There are no legal or HR implications.</p>
<p>Equalities Implications:</p>	<p>Members attention is drawn to the need to exercise the equality duty under the Equality Act 2010 to have due regard to the impacts based on sufficient evidence appropriately analysed. Members have a duty to review the impact assessments of budgetary proposals.</p> <p>Duties placed on public bodies do not prevent difficult decisions such as reorganisations and service reductions being made, nor does it stop decisions which may affect one group more than another. What the duty does do is require consideration of all the information, including the potential impacts and mitigations, to ensure a fully informed decision is made.</p> <p>The proposed waste disposal savings have previously been in-year savings agreed by the Somerset Waste Board.</p>

	Therefore, there are no equalities implications that the Board will have to consider in approving these savings in the Annual Budget.
Risk Assessment:	Members will be aware from previous reports and presentations that the waste budget and actual costs, particularly disposal volumes, remain highly volatile.

1. Background

- 1.1. The Annual Budget for 2018/2019 was originally set at the Board meeting of 23rd February 2018 at £45,145,256.

Subsequently, the Board has agreed a number of in-year budget reductions and a drawdown from earmarked reserves on the disposal budget at the September meeting. In addition, the Board agreed the extension to the Viridor contract at the November 2018 meeting, which brings a saving from 2018/2019 onwards. Following these decisions, the 2018/2019 the Waste Board budget now stands at £44,445,260.

Partners contribute to the overall costs in accordance with our Cost Sharing Agreement. Individual contributions are based on key cost drivers such as household numbers, sparsity and garden waste customer numbers. As the waste disposal authority, all such costs fall to the County Council.

- 1.2. Our Annual Budget is predominantly spent on making payments to our main contractors – Viridor and Kier.

2. Current Financial Position

- 2.1. The table below shows the variations from budget on all our major expenditure areas. **For the avoidance of doubt in the table above, negative figures shown in brackets are underspent budgets. Figures not in brackets are overspent budgets.** (A zero figure indicates that the line is on budget, or that it is not a budgetary responsibility of that partner. Figures are rounded to the nearest £000).

Summary of budget variances

	SCC £'000	MDC £'000	SDC £'000	SSDC £'000	TDBC £'000	WSC £'000	Total £'000
Head Office	(28)	(7)	(7)	(10)	(7)	(2)	(61)
Disposal Costs	(987)	0	0	0	0	0	(987)
Collection - Recycling	0	0	0	0	0	0	0
Collection - Refuse	0	0	(0)	(0)	0	(0)	(0)
Collection - Garden	0	35	4	75	21	15	150
Collection Costs	0	1	1	1	1	1	5
Recycling Credits	(35)	8	6	12	5	3	0
Container Purchase & Delivery	0	(17)	(4)	(6)	(11)	(2)	(40)
Other	(0)	(5)	(17)	(22)	(6)	(2)	(51)
	(1,049)	16	(17)	50	4	12	(984)

Overall, the end of December position shows the Somerset Waste Partnership budget is forecast to be **underspent by £984,000** (2.21% of the current budget). By way of comparison, the overall underspend forecast was £933,000 (2.09% of the current budget) when previously reported to the December Board.

2.2. Waste Collection

The waste collection budgets have moved from a £25,000 overspend position to a £65,000 overspend, a movement of £40,000.

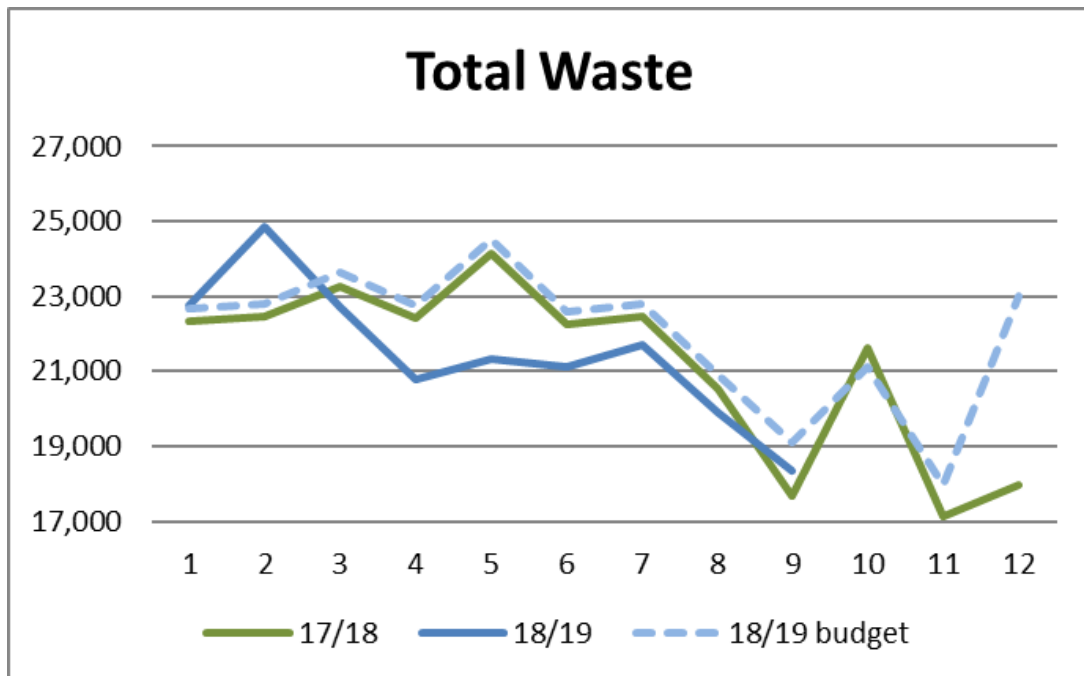
As was mentioned at the December 2018 Board meeting, there was some further work required to verify the garden waste numbers, where operational systems appeared to be reporting different customer numbers. This has now been completed, and the increase forecast in garden waste of £65,000 accounts for the majority of the variation in Quarter 3. Members are reminded that although the costs within the Somerset Waste Board budget have increased, particularly with regard to South Somerset, this is more than compensated by the amount of income raised locally. This has also been reflected in the 2019/2020 budget requirement below.

In addition, the position is improved by an estimated reduction in container purchase and delivery costs, Head Office costs and “Other”, which includes vehicle financing and contractor pension costs.

The December Board also noted that the budget line for lease repayments (for Sort It Plus vehicles) has not been spent (£262,430). Members will recall that although the primary lease costs for these vehicles had expired, that we had agreed to keep this budget line in case elements of our elderly fleet needed early replacement. With only a small proportion of the year remaining, it is now expected that this budget will largely not be required, and therefore is a one-off windfall saving. Officers propose that this amount be added to the earmarked reserve for Recycle More, to support the roll-out costs from April 2020.

2.3. Waste Disposal

The waste disposal figure for the Board at the end of December showed an underspend of £1.049m, which is an improvement on the last budget report to the Board (£0.958m). Members will recall that the trends in the waste disposal budget have been downwards for the current financial year, although some of the savings are one-off caused by year end estimating and the severe weather in March 2018. The graph below shows that actual waste volumes have been closer to the budgeted figures in the latest quarter.



Overall, we are assuming the current trend continues until the end of the year, which would result in approximately a 1.9% reduction in tonnages overall from 2017/2018. Officers have also taken this trend in tonnages into consideration when proposing the budget for 2019/2020.

2.4 Recycle More project funding

The budget figures reported above do not include any drawdown of the earmarked reserve for Recycle More. Available funds at the start of 2018/2019 stood at £616,106, (including the County Council funding, but excluding any approved increase from the lease budget proposed above). It has been agreed by the Board that we keep this funding separate from the continuation budget, and report on it separately. Section 151 officers have wanted clarity between the on-going budget requirement and the one-off project funding.

Up to the end of December, only £152,613 of this earmarked reserve has been spent, although further costs will be incurred with the on-going support for Eunomia (our technical consultants) and specialised external legal support. Additional support has come from procurement, legal and finance staff at the Administering Authority.

It is expected that the current level of the reserve will be adequate to cover the costs incurred during the procurement and mobilisation period (April 2019 – March 2020), noting that these do not include capital costs related to depots or vehicles.

In 2016 the roll-out costs agreed by the Board were estimated at £2.2m (primarily due to the cost of new containers, cost of communications and transition support, but not including the costs of procurement).

The exact roll-out costs will depend on the winning contractor and agreed roll-out methodology and communications.

3. Annual Budget 2019/2020

The February Waste Board is where our Constitution and Inter Authority Agreement require us to agree Annual Budget for the next financial year. It is also important that partners receive the necessary information to allow them to build any additional costs into their local budget requirements.

The detailed line by line budget requirements for each partner are set out in Appendix 1.

3.1. Final budget figures – collection

The total budget requirement for each collection partner is set out below, together with the reasons for the movement from the 2018/2019 budget. For the avoidance of doubt, a positive number in the table below represents an increase in budget requirement, and a negative figure (in brackets) represents a decrease in budget requirement.

		MDC	SDC	SSDC	SWaT
18/19 Final Budget		3,463,461	3,609,494	5,166,003	4,842,898
Inflation - Collection	3.28%	125,021	129,047	184,409	175,183
Household Growth	0.87%	34,823	16,917	27,143	41,488
Garden Waste	11.85%	48,669	17,471	91,754	54,326
Recycling Credits		(16,578)	(14,598)	(20,305)	(22,519)
Salaries	2.00%	2,030	2,154	3,026	2,841
Staff Secondment		4,806	5,075	7,130	6,719
Pension Deficit		0	0	0	0
Transfer station offset		(1,950)	(2,059)	(2,894)	(2,727)
New Authority changes		(3,039)	(3,488)	(4,652)	24,907
Bulkies / Containers		(9,291)	6,008	7,389	(4,105)
Proposed Savings		0	0	0	0
19/20 Budget		3,647,950	3,766,020	5,459,003	5,119,011
Increase / (Decrease)		184,490	156,526	293,000	276,113
Percentage		5.3%	4.3%	5.7%	5.7%

Members will recall that a number of cost drivers were already fixed by the December 2018 Board meeting. However the contract inflation has been amended slightly to 3.28% from the previously reported 3.27%.

However, a number of amendments have been made to the collection contract requirement, detailed below. These total approximately £120,000, which is a 0.67% movement since the Draft Budget. This increase is almost entirely due garden waste, which is a continuation of the issue noted above in the 2018/2019 financial position, and for which income will continue to accrue to the relevant District.

Amendments have been made in relation to household growth (now 0.87% across the whole of Somerset) and the latest recycling credit volumes. Members are reminded that collection partners only pay for the actual household growth in their own Districts, and that there is an automatic 3% uplift in the rate paid for each tonne of recycling credits.

Household numbers have been provided by the individual districts. The growth figures for each area are as follows;

Mendip	1.18%
Sedgemoor	0.64%
South Somerset	0.68%
SWaT	1.04%

3.2 Final budget figures – disposal

As with every Draft Budget reported in December, the disposal budget is less fixed. Inflation indices are not finalised until February's figures are published, and will be estimated to provide a final Annual Budget as usual.

At present, the estimated average inflation across a number of disposal indices is 3.71%. The inflation uplift required is £621,400.

Landfill Tax rates from 1 April 2019 have been confirmed by the Treasury as £91.35 per tonne. This is an increase from £88.95 of 2.70% on the 2018/2019 rate. Based on the projected current tonnages budget, this would cost an additional £287,400. The total landfill tax estimate for 2019/2020 is now £10.99 million.

Assuming volumes continue as currently forecast, there will be a reduction in the budget requirement of approximately £16,000.

In total, the estimated disposal uplift required is now £892,800 this remains unchanged from the figure estimated in December.

The Viridor HWRC contract extension, approved by the Board in November, will also provide an additional £200,000 of savings in 2019/2020.

In addition, the County Council is requesting further savings from the Somerset Waste Board of £225,000. To meet this target, the Managing Director proposes to continue a number of in-year savings that were already agreed by the Board at its September 2018 meeting, or where base budgets can be relatively safely reduced.

For ease, these are set out below:-

- 1) Reduction in clinical waste disposal budget: £40,000
- 2) Reduction on Recycling Site waste minimisation bonus: £40,000
- 3) Reduction in Closed Landfill monitoring: £10,000
- 4) Reduction in Recycling Site permitting costs: £15,000
- 5) Reduction in fly tipping payments: £20,000

For the additional £100,000 of savings, this will need to come from the continued downward volumes of waste. Whilst the direction of travel is clearly positive, this is a potential risk and is not controllable by the Somerset Waste Partnership. However, members are reminded the County Council is wholly responsible for all disposal costs and bears this risk if the trend changes.

It is confirmed that an Equalities Impact Assessment is not required for any of these savings proposals.

The total net waste disposal uplift required, taking into account all of the above is £467,800.

- 3.3. With the combined disposal and collection contract uplifts as set out in paragraphs 3.1 and 3.2 above, the Annual Budget requirement for 2019/2010 is £46,243,485.

4. Consultations undertaken

- 4.1. The Senior Management Group receives a summary financial management report on a regular basis, and regularly covers financial topics on their agenda.
- 4.2. Financial implications relating to Recycle More were discussed in a meeting with District section 151 officers in December.

5. Implications

- 5.1. Potential over and underspends as in section 2 above, if trends continue, would result in these figures at outturn for the individual partners.
- 5.2. When the Board reaches a decision and approves the Annual Budget, it will represent the financial contributions required of all partners for 2019/2020. The total increase required for the next financial year is slightly in excess of £1.798m (an increase of 4.05%).
- 5.3. The budgeted cost **per household** for the Somerset Waste Partnership for 2019/2020 is now £179.27 per annum or about **£3.44 per week**. (This is excluding garden waste income and one-off Recycle More costs. In 2018/2019 this was £3.33 per week based on the revised budget). This breaks down into approximately **£2.10 per week for disposal**, and **£1.34 per week for collection**.

6. Background papers

- 6.1. Previous Financial Performance and Annual Budget reports to the Somerset Waste Board (all available on the website or from the report author).

Annual Somerset Waste Board Budget 2019/20

2018/19							
Price Base							
	SCC	MDC	SDC	SSDC	SWaT		
Expenditure							
Single Client Group							
Salaries & on-costs	926,690	945,220	432,533	103,838	109,644	154,049	145,157
Salaries pension deficit	84,500	84,500	38,667	9,283	9,802	13,772	12,977
MDC customer services impact	6,630	6,760		6,760			
WSC business Case							
Travel & Subsistence	51,770	51,770	23,690	5,687	6,005	8,437	7,950
Admin, training, meetings & IT	85,420	85,420	39,088	9,384	9,909	13,921	13,118
Advertising & campaigns	47,000	47,000	21,507	5,163	5,452	7,660	7,218
Office rent & accommodation	70,380	70,380	32,206	7,732	8,164	11,470	10,808
Support Services							
Legal	10,400	10,400	4,759	1,143	1,206	1,695	1,597
Insurance	5,280	5,280	2,416	580	612	861	811
Finance	81,490	81,490	37,290	8,952	9,453	13,281	12,514
Internal Audit	10,920	10,920	4,997	1,200	1,267	1,780	1,677
Human Resources	5,200	5,200	2,380	571	603	847	799
ICT	5,360	5,360	2,453	589	622	874	823
Democratic Services	6,960	6,960		1,410	1,488	2,091	1,971
Direct Services							
Waste Disposal							
Disposal - Landfill includes clinical disposal	11,590,866	11,181,815	11,181,815				
Disposal - HWRCs	9,500,960	9,941,250	9,941,250				
Disposal - food waste	1,457,820	1,484,330	1,484,330				
Disposal - Hazardous waste	224,520	231,310	231,310				
Composting	1,847,970	1,872,280	1,872,280				
Kerbside Recycling							
Sort IT- SP5 all districts	9,047,500	9,411,080		1,940,710	1,927,649	2,879,137	2,663,584
Assisted Collections	79,330	82,520		13,698	19,043	22,885	26,894
Communal Recycling SP5	2,563,800	2,856,110		553,647	656,133	788,473	847,857
Garden sticker admin	14,000	18,000		3,502	4,150	5,061	5,287
Household Refuse							
Fortnightly	5,749,950	5,981,010		1,233,376	1,225,076	1,829,774	1,692,784
Refuse - Communal SP5	279,900	291,150		58,583	58,975	78,176	95,417
Assisted Collections	95,290	99,120		20,440	20,303	30,324	28,054
Assisted Collection Review	10,000	10,000		2,062	2,048	3,059	2,830
Clinical Waste	119,640	124,450		25,206	26,615	37,394	35,235
Bulky Waste Collections	83,830	87,330		18,427	16,767	25,500	26,636
SWB Directed Collections	3,120	3,250		658	695	977	920
Day Works	8,070	8,400		1,701	1,796	2,524	2,378
Container Maintenance	57,610	59,930		12,138	12,817	18,007	16,968
Container Delivery	170,180	177,290		35,972	35,121	56,485	49,712
Container Supply	447,320	466,020		92,086	103,596	148,614	121,724
Admitted Body Pension Costs							
Base pension cost	60,380	60,380				60,380	
Incremental pension cost	8,620	8,620		1,746	1,843	2,590	2,441
Depot Costs	186,040	186,040		37,680	39,787	55,900	52,673
Village Halls	5,500	5,500			5,500		
Inter Authority Transfers							
Transfer Station Offset Cost	321,050	330,680		330,680			
Payment in lieu of Recycling Credits	2,464,740	2,538,740		2,538,740			
Third party Recycling Credits	28,280	29,110		29,110			
Advance Payment Saving	- 31,900	- 31,900		- 6,461	- 6,822	- 9,585	- 9,032
Lease Repayments - Sort It Plus							
Vehicles	262,430	262,430		58,580	47,800	87,160	68,890
Total direct expenditure	48,054,796	49,192,905	28,251,500	4,266,041	4,363,120	6,363,572	5,948,672
Income							
Kier Discount all Districts on SP5	- 80,000	- 80,000		- 16,203	- 17,109	- 24,038	- 22,650
Kier Secondment Saving	- 43,750	-		-	-	-	-
Wilton Transfer Offset	- 321,050	- 330,680		- 66,975	- 70,719	- 99,361	- 93,625
District Recycling Credits	- 2,464,740	- 2,538,740		- 534,913	- 509,271	- 781,170	- 713,386
Total income	- 2,909,540	- 2,949,420	-	- 618,090	- 597,100	- 904,569	- 829,661
Total net expenditure	45,145,256	46,243,485	28,251,500	3,647,950	3,766,020	5,459,003	5,119,011
Budgets 18/19		45,145,256	28,063,400	3,463,461	3,609,494	5,166,003	4,842,898
Total variance		188,100	184,489	184,489	156,526	293,000	276,113

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