

Somerset Waste Partnership Annual Report and Draft Business Plan 2019 - 2024

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1. Purpose of the Report

- 1.1 This report seeks a decision from South Somerset District Council on the Somerset Waste Partnership's Draft Business Plan 2019-2024. The plan provides a framework within which the Somerset Waste Board can make decisions and steer the delivery of waste partnership services. The Business Plan is attached as Appendix A
- 1.2 The actions in the draft business plan sets out the changes to Somerset's waste services which are co-ordinated for maximum impact and value. The changes span all three major contracts for waste collection, treatment, disposal and infrastructure (including vehicles). It also develops SWP's capability to support Somerset residents in wasting less and recycling more, with residual waste becoming a fuel stock to generate energy.
- 1.3 To provide an updated view on the progress made against the existing Business Plan, matters that have a major impact on the resources available, a summary of the draft budget and identification of the priority work areas.
- 1.4 To seek agreement between partners on the level of funding provided by each of them in line with the cost sharing formula.
- 1.5 To inform Members of the Risk Register which is attached to this report as Appendix B and the key issues and challenges which are summarised within the draft Business Plan.

2. Forward Plan

- 2.1 This report appeared on the District Executive Forward Plan with an anticipated Committee date of 6th December 2018.

3. Public Interest

- 3.1 This report is to inform the Council of the work that is proposed to develop the waste and recycling functions across the area managed by the Somerset Waste Partnership which includes South Somerset, giving reasons behind the proposed future of the services.

4. Recommendations

- 4.1 That the District Executive:
 - a. Approves the Somerset Waste Partnership's Draft Business Plan 2019-24 attached at Appendix A;

- b. Approves the projected budget for 2019/24 subject to the comments in section 6 of the SWP Business plan relating to the finalisation of the budget.

5. Background

- 5.1 The Somerset Waste Partnership (SWP) is responsible for providing waste and recycling services on behalf of all six local authorities in Somerset. The partnership is governed through a Joint Committee known as the Somerset Waste Board (SWB). The SWB Constitution requires the preparation of a Business Plan on an annual basis. The plan has a five year horizon with particular focus on the next 12 months, and it provides a framework within which the board can make decisions and steer the delivery of waste partnership services. The Board has delegated authority for decision making across all services and therefore must make proposals to the partners on how savings can be made, taking into account any requirements to make savings and proposals on how this can be achieved.
- 5.2 The Board's business planning cycle usually requires a draft report to be approved by the Board in December and circulated to partners for comment prior to the adoption of the Board's Annual Budget the following February. Once approved or noted by all partners, the plan will be formally adopted by the Board to provide a framework within which the Board can make decisions and steer the delivery of Waste Partnership services.
- 5.3 The update of the business plan focusses on the progress that has been made, and continues to be made, in procuring a new collections contractor and the subsequent implementation of Recycle More. A verbal update / presentation will be made to the cabinet on this aspect of the business.

6. Council Plan Implications

- 6.1 *High quality cost effective services - Work with partners to achieve economies, resilience and influence.
- 6.2 *Environment - Increase recycling

7. Financial Implications

- 7.1 The Board is almost exclusively funded from contributions from partners and, apart from one-off funding bids, has no automatic block grant from Central Government. It is therefore dependent on agreement between partners on the level of funding provided by each of them in line with the cost sharing formula. Business planning and budget setting are therefore usually part of the same process but, due to the revised timetable, this year the Business Plan will be approved in December 2018 and the Budget finalised in February 2019 as is normal practice. The budget presented in this report will remain draft until February and is for one year only.
- 7.2 Section 6 of the Business Plan shows the projected year budget for Somerset Waste Partnership. A draft Annual Budget for the forthcoming year will be brought to the December meeting of the Somerset Waste Board. While the figures shown here are subject to refinement, historically projections at the stage have been very close to the final budget due

in February 2019, particularly for collection partners, with only minor variations for final customer numbers. It is therefore considered a very low risk to approve the Business Plan ahead of the final Annual Budget for 2019/2020.

7.3 The current estimate for collection partners is that there will be between a 2.5% and 4.25% budget uplift from the 2019/20 budget. The projection varying for each collection partner, primarily according to household growth and garden waste customer growth. All recycle more one-off costs are excluded from these figures (these are set out later in the report).

7.4 The key drivers for the variance are:

- Collection inflation – estimate 3% (mostly fixed). The key drivers for this are CPI and fuel increases.
- Household growth estimated average 1% (final figures will be available on 1st December).
- Garden customers growth estimated at 6% (although this provides a corresponding income to each partner).

7.5 An update on recycle more and its implementation is included within the business plan under section 6.2.

8. Carbon Emissions and Climate Change Implications

8.1 Moving to Recycle More will result in capturing more recycling and generating less residual waste. Amongst other environmental benefits, fewer refuse vehicles will be required and these will be more efficient and generate lower emissions than our current fleet. Through the procurement the possibilities of using bio-fuels or other more environmentally beneficial power sources will be generated.

8.2 The diversion of waste from landfill to become a fuel source for energy production significantly reduces the overall environmental impact of Somerset's residual waste and has huge implications for carbon emissions.

8.3 Other elements of the business plan, including the programme of schools visits, promotion and the emphasis on waste prevention should also contribute to promoting the message of the need to take action to combat climate change.

9. Equality and Diversity Implications

9.1 Equalities Impact Assessments will be carried out as appropriate with the development of each Business Plan activity prior to proceeding with that activity. In most cases the decision to proceed based on the outcome of the impact assessment will be delegated to the Managing Director and Senior Management Team of SWP. Where significant issues are identified through the assessment process that would have implications for major projects or programmes the decision to proceed will return to the Board prior to commencing development.

10. Privacy Impact Assessment

10.1 A Privacy Impact Assessment is not essential to accompany this report as the information will fundamentally be the same as is currently used and managed.

10.2 Looking forwards, as the SWP looks to build capacity and use technology to understand people's behaviour to reduce waste and improve recycling, we will need to assess the management of personal information and an impact assessment may need to be carried out if we are to ensure compliance with both the current and future data protection regimes – the latter of which will be much more stringent.

11. Background Papers

District Executive report 20th November 2017

Draft SWP Business Plan 2019 - 2024

SWP Draft Risk Register 2019 - 2024

Waste Board Constitution

<http://democracy.somerset.gov.uk/mgCommitteeDetails.aspx?ID=196>
