

Somerset Waste Board meeting  
24 September 2021  
Report for decision



## **Somerset Waste Partnership – Outline Business Plan 2022 - 27**

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<b>Forward Plan Reference:</b>	06/08/2021
<b>Summary:</b>	<p>The Somerset Waste Partnership Draft Business Plan for the period 2022 to 2027 is iterated through a number of meetings, starting in September with a discussion on priority areas and approach, a draft business plan which will be presented to the Board in December 2021, partner consultation in January and February with approval from the Board to the final business plan sought in February 2022. The Business Plan approval timetable is in line with the constitutional requirements on SWP and ensures that business planning and budgeting are considered together. Clearly a customer focus as we recover from the service issues driven by the national driver shortage, the ongoing risks from Covid, the move to a Unitary authority, and the emerging national policy landscape are major impacts on this Business Plan period.</p>
<b>Recommendations:</b>	<p><b>The Joint Waste Scrutiny Panel considers and comments on the following recommendations in this report.</b></p> <p><b>That Somerset Waste Board: -</b></p> <p><b>(i) Comments on and approves the broad approach and proposed priority areas for inclusion in the Business Plan 2022-27 as set out in section 2 of the report.</b></p> <p><b>(ii) Discuss and provide further ideas for any particular service changes, projects or programmes for potential inclusion in the Draft Plan to be approved for consultation at the December meeting.</b></p>
<b>Reasons for recommendations:</b>	<p>The Board is required to approve a draft business plan annually for consultation with, and approval by, the partners. Producing an outline at this stage helps the Board to identify key areas for</p>

	inclusion and to direct officers to prepare more information on any area it highlights.
<b>Links to Priorities and Impact on Annual Business Plan:</b>	The Constitution requires the Board to produce a business plan on an annual basis. The business plan also seeks to align with other partner priorities, such as the joint council climate emergency strategy (SWP led on the waste and resources workstream). This will be the final Business Plan produced before a new unitary authority takes over in Somerset.
<b>Financial, Legal and HR Implications:</b>	The financial framework and default budget position is outlined in a separate report on the agenda. The detailed financial implications of any new areas of work, or any changes to existing services, as requested by the Board, will be provided when the Board is recommended to approve the draft plan in December.
<b>Equalities Implications:</b>	The Board is required to have "due regard" to our equalities duties when taking any formal decision. Equalities implications will be considered and reported for any service changes or relevant projects proposed by the Board.
<b>Risk Assessment:</b>	<p>There is a risk that the Business Plan may be affected by:</p> <ol style="list-style-type: none"> <li>a) The ongoing impact of Covid-19, which has already disrupted progress in achieving the current business plan. The cumulative impact on staff from the intense work required to maintain services cannot be understated.</li> <li>b) Uncertainties due to the takeover by Biffa of some aspects of Viridor's contract with SWP (inc recycling centres) and Veolia's potential take-over of SUEZ.</li> <li>c) Central Government policy changes, in particular Extended Producer Responsibility, Deposit Return Scheme, and Collection Consistency.</li> <li>d) Funding available to implement the Climate Emergency Strategy, to deliver SWP's ambitions on reuse and decarbonisation in particular, and funding that may be necessary once we better understand the post covid and post Brexit landscape.</li> <li>e) The Future of Local Government in Somerset, including resource pressures that this will inevitably bring to senior management in SWP and partners, and the uncertainty it may mean for staff.</li> </ol> <p>Risk assessments will be undertaken for any service changes or</p>

	new programmes as they are developed and the SWP risk register will be updated accordingly as part of the business planning process.
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## **1. Background**

- 1.1.** The Board is required to approve a draft business plan annually. The plan is rolling five year plan and therefore the 2022-27 version will include some items already highlighted within the current plan, updated to reflect where we have greater detail (e.g. our ambition on reuse) and also where factors such as Covid have resulted in slippage to the anticipated timescale.
- 1.2.** Producing an outline at this stage, along with outlining the default budget position, helps the Board to identify potential service changes or programmes for inclusion and to direct officers to further develop ideas and/or prepare more information on any area it highlights. Feedback from the Board, Joint Waste Scrutiny Panel and other engagement then informs the development of a draft Business Plan. This draft is presented to the Board in December for approval as the basis for partner consultation. Following the period of consultation a final draft of the Business Plan is brought to the February board meeting for approval.
- 1.3.** Progress against our current business plan is reported to the board at each quarterly meeting through the Performance Report. The board also receive a report at each meeting updating them on progress with mobilising the new collection contract and implementing Recycle More.

## **2. Proposed Approach**

- 2.1.** The priorities set out in the 2021-26 Business Plan are still relevant but will need to be adjusted to reflect the service disruption this year, the ongoing impacts of a national driver shortage, the ongoing pandemic (including how it impacts waste tonnages in the medium term), the pressure this has created on SWP, SUEZ and partner staff, and the move to a unitary authority.

Accordingly, there will be a particular customer focus for SWP, both the recovery of customer confidence following the driver and loader shortages and the impact/opportunity of moving to a single customer service function for Somerset and how SWP prepares for that. It is likely that we will need to review our collection contract in Autumn 2022 as we (hopefully) emerge from Covid, have recovered from the national driver shortage, can see the impact of Recycle More and better understand future legislative change. The transition to unitary will also require us to review our budgeting and governance processes and explore whether there are synergies with aspects of streetscene services. This may involve further benchmarking. It is likely to place pressure on SWP and partner staff and may have an impact on the pace with which we can deliver other priorities – as far as we can

predict this it will be reflected in the business plan 2022-27

Areas of the business plan will be fleshed out (particularly our approach to reuse, the subject of a separate paper to the Board), and others will reflect amendment to the timetable as we focus on customer service and a stable transition to a unitary authority – for example it makes more sense to align our work on enforcement with the move to unitary rather than try and change this before a unitary authority is created.

Tackling the climate emergency remains the top priority for SWP but progress on this will be impacted by the availability of resources – be it capital (for an electric RCV and photovoltaics at our Taunton and Evercreech depots) or staff resources given our priorities around customer focus and readiness for unitary.

**2.2.** Key issues which will inform the 2022-27 Business Plan are:

<b>Political</b>	<b>The impact of withdrawal from the EU:</b> Brexit is recognised nationally as one of the causes of the national driver shortage and wider supply chain issues. Whilst we cannot foresee any further direct impacts (especially with 98% of our recycling staying in the UK) there may be further indirect impacts.
	<b>National legislative change:</b> Further national consultations were undertaken in Spring 2021 on Deposit Return Schemes, Extended Producer Responsibility and collection consistency (inc free garden waste and possible minimum service standards). SWP are awaiting government clarity on the next steps following these consultations, but they are likely to have profound implications for SWP.
	<b>Future of Local Government in Somerset:</b> A Unitary council for Somerset will be formed in 2023, with a shadow authority ahead of that. Whilst SWP already operates as a virtual unitary, there will be a significant amount of work in developing a single customer service function, a potentially heightened political environment, and impacts on other projects due to a focus by all partners on the unitary transition.
<b>Economic</b>	<b>Financial pressure on partner authorities/contract pressures:</b> The financial environment in which we operate remains very tightly constrained, especially given the impact of Covid-19 on local government finance. National legislative change may significantly impact on SWP’s finances, and may require contract renegotiation.
	<b>National Driver shortage:</b> The national challenges are unlikely to go away overnight and there is a real risk of pay inflation and future shortages.
	<b>Recyclate risk:</b> SWP share risk with its collection contractor on recyclate value. This will directly impact upon the SW:EEP fund and hence the money we have to drive behavioural change
	<b>Risk of recession:</b> The national economic outlook remains uncertain. Periods of recession typically see lower levels of waste as a result of lower

	consumption, however, the past may not be a reliable guide to the future given the uncertain impact of Covid-19.
<b>Social</b>	<b>Demographic changes:</b> Somerset's growing and ageing population inform our planning for the future. Somerset has historically benefited from near full employment, which makes recruitment more challenging.
	<b>Covid-19:</b> The ongoing risks are reflected in our day-to-day operations, but we are not yet clear which changes will be permanent and what will revert back more to pre-pandemic conditions e.g. how much home working will remain the norm and what will this do to waste generated at home.
<b>Technological</b>	<b>Social media:</b> Increasing use of social media presents an opportunity to reach more people but raises expectations about speed of response.
	<b>Big data:</b> The ability to manipulate large data sets (be it around people's behaviour or the life cycle of resources and waste) can be powerful.
	<b>New materials:</b> New materials may emerge onto the market quicker than our ability to manage them at the end of their life.
<b>Environmental</b>	<b>Somerset's Climate Emergency:</b> This remains at the heart of what SWP is here to do and what motivates all our staff. However, our ability to implement change will be constrained by resources.
	<b>Public Awareness:</b> Many people are much more aware of climate change and keen to do more, and frustrated if they feel they cannot do more. We need to continue to do all we can to ensure people know what happens to their recycling and hence builds trust.

2.3. It is proposed that the vision, values and structure of the 2022– 2027 Business plan remain unchanged from the 2021-26 Business Plan (activities supporting the transition to a unitary authority will be included in 'enabling activities'):

<i>Theme</i>		<b>Delivering excellent services</b>	<b>Changing behaviours</b>	<b>Tackling climate change</b>
		<i>SWP effectively collects, recycles and treats waste</i>	<i>People manage waste as a resource</i>	<i>SWP maximises its contribution to tackling the climate emergency</i>
1.	<b>Waste reduction</b>			
2.	<b>Promoting Reuse</b>			
3.	<b>Increasing Recycling</b>			
4.	<b>Decarbonising residual waste</b>			
5.	<b>Decarbonising our operations</b>			
6.	<b>Tackling non-household waste</b>			
7.	<b>Working with others</b>			
8.	<b>Improving the</b>			

	<b>customer experience</b>			
<b>9.</b>	<b>Supporting wider goals in Somerset</b>			
<b>10.</b>	<b>Enabling activities</b>			

### **3. Consultations Undertaken**

- 3.1.** Initial consultation was held with partners (via the senior officer group – SMG) in August. Further consultation with partners will take place over the Autumn. Formal partner consultation will take place in the new year, once a draft Business Plan has been agreed by the Board at its December meeting.

### **4. Background papers**

- 4.1.** SWB Business Plan 2021 – 26 (as agreed by the Board in February 2021)