

Somerset Waste Board meeting
28 September 2018
Report for decision



Somerset Waste Partnership – Outline Business Plan 2019 - 2024

Lead Officer: Mickey Green / Managing Director

Author: Mickey Green

Contact Details: 01823 625700

Forward Plan Reference:	
Summary:	<p>The Somerset Waste Partnership Draft Business Plan for the period 2019 to 2024 is iterated through a number of meetings, starting in September for a discussion on priority areas and approach, a draft business plan presented by the Board on 2 November 2018, partner consultation in November and December with approved from the Board to the final business plan sought on 14 December 2018.</p> <p>The Business Plan approval timetable has been amended to align better with the new collection contract procurement timetable.</p>
Recommendations:	<p>(i) Comments on and approves the broad approach and proposed priority areas for inclusion in the Business Plan 2019-24 as set out in Sections 2 and 3 of the report.</p> <p>(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 2 November meeting.</p> <p>(iii) Approves the revised timetable for Business Plan approval for this year: -</p> <ul style="list-style-type: none"> • November 2nd 2018 - Draft Plan to be submitted for Board approval; • November/December - Partner authority consultation and approval • December 14th 2018 - final Board approval.
Reasons for recommendations:	<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 inclusion and to direct officers to prepare more information on any area it highlights.</p>

Links to Priorities and Impact on Annual Business Plan:	The Constitution requires the Board to produce a business plan on an annual basis.
Financial, Legal and HR Implications:	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.
Equalities Implications:	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.
Risk Assessment:	<p>There is a risk that the Business Plan may be affected by:</p> <ul style="list-style-type: none"> a) any delays to the collection contract procurement timetable b) any Central Government policy changes that result from the Resources & Waste Strategy expected in Autumn 2018 c) a board decision on the potential Viridor Contract Extension <p>Risk assessments will be undertaken for any service changes or new programmes as they are developed and the SWP risk register will be updated accordingly as part of the business planning process.</p>

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 2019-24 version will include some items already highlighted within the current plan, updated as necessary.
- 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.

Timetable

- 1.3. It is proposed to bring forward the timetable for partner consultation so that it enables us to give each partner a timely update on the collection contract procurement/ progress towards Recycle More. Consulting with partners in November and December (like we did in 2017, but earlier than the usual January/February consultations) will enable us to give all partners an update on the collection contract procurement (in particular around affordability, risk share and any variant bids) ahead of the final stage of the procurement process. To enable this a draft business plan will be submitted to the board at the special meeting planned for 2 November 2018. TDBC and WSDC have advised Somerset Waste Partnership that we should use the Shadow Scrutiny and

Executive Process for the new council, rather than consulting with the two existing councils. This is reflected in the proposed timetable at Appendix A.

The advanced timetable for the approval of the Business Plan will take it slightly out of alignment with the Annual Budget setting process. A draft Annual Budget for the forthcoming year is brought to the December meeting. Whilst this is not finalised at this stage, historically these figures have been very close to the final budget in February, 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, particularly as the key actions in the Business Plan such as Recycle More will have no direct budgetary impact on 2019/2020.

2. Proposed Approach

- 2.1. The matters of concern outlined in the 2018-2023 Business Plan report still apply, and have moved on:

2018-2023 Business Plan issues	How the issue has evolved and will inform the 2019/24 Business Plan
The impact of withdrawal from the EU	Whilst SWP recycles over 90% in the UK, waste is a global business and this will have impacts. The price of recycling vehicles may well be impacted by Brexit, and this risk will need to be managed through the procurement process.
The potential for legislative change	In 2018 this was expected to be around Central Government proposing to restrict charging for certain materials at recycling centres. With the publication of Central Government's Environment Strategy in Spring and the expected publication of a Resources and Waste Strategy in Autumn, major legislative change is expected. SWP are liaising closely with Defra (directly and via Adept) to understand and influence the changes.
Community Recycling Centre Charges	Charging for the 2 CRS (Dulverton and Crewkerne) will have to cease in April 2020. This has been reflected in negotiations with Viridor for a contract extension.
WRAP consistency framework	SWP is currently compliant with the consistency framework as is the Recycle More service model. There is potential that Central Government may mandate the consistency framework (or similar), and this will need to continue to inform the procurement process.
Deposit Return Scheme	It is highly likely that a Deposit Return Scheme will be introduced, but until Central Government publishes its Resources and Waste Strategy we do not know the details. We believe that SWP will be adversely affected financially, but new burdens may be mitigated by broader changes to Extended Producer Responsibility (particularly in relation to

	packaging). SWP have been engaging with central government closely on this.
Financial pressure on partner authorities	The pressure has not abated and is particularly acute on SCC. This has been reflected in SWP's activity (e.g. the contract extension negotiations with Viridor).
Somerset demographic changes	Somerset's demography continues to change, and this is informing our planning for the future, including the collection contract procurement and potential future changes to HWRCs.

2.2. As the current (2018-2023) business plan outlines there are a number of major areas of ongoing work to respond to these challenges. The scale and pace of change does mean that resources for other activities are limited. These key areas (all of which reflect our financial challenges) include:

- (i) Moving away from landfill as the disposal route for residual waste by 2020
- (ii) Procuring a new collection contractor by 2020 and rolling out the Recycle More service model from 2020
- (iii) Reviewing our core services contract with Viridor and considering a possible extension to the contract
- (iv) Restructuring SWP so that we have the right level of resources to realise our ambitions
- (v) Developing a long term strategy in line with the expected Central Government Resources and Waste Strategy
- (vi) Focussing on behavioural change (in particular, schools, plastic, food)
- (vii) Putting in place the technology that will underpin improved customer service
- (viii) Refreshing our approach to performance reporting so that it better reflects our vision and demonstrates progress against our business plan.

2.3. It is proposed that the 2019 – 2024 Business plan will maintain a similar focus and approach to the current business plan, recognising the major ongoing pieces of work that remain underway. The current structuring of activities in the business plan into three areas is proposed to be continued, albeit with a slight change to reflect the new vision agreed by the Board in June 2018.

- (i) Delivering excellent services
- (ii) Changing Behaviours
- (iii) Building our capability

3. Commentary on the three proposed areas in the 2019-24 Business Plan

3.1. Delivering excellent services

Outcome: The services we deliver (now and in the future) ensure Somerset's household waste is effectively collected, reused, recycled and treated.

Key actions:

- Transitioning to a new collection contractor following contract award in Spring 2019 and ahead of a new contract commencing in Spring 2020
- Procuring a new fleet of vehicles
- Potentially securing and developing depot infrastructure
- Rolling out a new service model from 2020-2022 (Recycle More)
- Overseeing the development of infrastructure to move away from landfill by 2020
- Potentially revising opening hours at Household Waste Recycling Centres (subject to a board decision on a contract extension with Viridor)
- Undertake further review of van/trailer permit scheme at HWRCs
- Active management of collection service contract
- Explore potential for SWP to manage the schools collection services
- Review waste service fees and charges

3.2. Changing behaviours

Outcome: People in Somerset change their behaviours to recognise that waste is a resource, and fully play their part in reducing, reusing and recycling waste

Key actions:

- Build on successful Schools against Waste pilot with a three year programme to reach all Somerset primary schools
- Focus on plastics: continuing to promote the refill campaign, PTT at recycling centres, the pledge against preventable plastic, continuing to work with partners
- Tackle food waste: stickering and behaviour change campaign (noting that the previous campaign was grant funded and SWP has a constrained marketing budget)
- Build trust: e.g. revitalising and more effectively promoting our end use register, no more landfill
- Increase reach: i.e. social media, self-service, app
- Enhance reuse: Working with Viridor, a new contractor and local partners (particularly VCSE) to improve reuse
- Prepare for Recycle More: utilising participation and composition analysis (which shows us how different social groups are behaving) and applying suitable behaviour change techniques for different audiences

3.3. Building our capability

Outcome: SWP has the capability and resources to even more effectively deliver the Board's vision

Key actions:

- Develop SWP long term strategy (including reflecting changes that may result from Central Government Resources and Waste Strategy)
- Seeking to influence policy decisions at Central Government and working with partners within Somerset and the South West to further SWP's vision
- Transforming ICT systems (including implementing a new customer service system, web self-service, developing and launching an app, in-cab technology)
- Improving performance monitoring
- Working with planning authorities to ensure that new developments are built with waste in mind

4. Consultation Undertaken

4.1. SMG consulted on 15 August and 11 September.

5. Background papers

- 5.1.
- SWB Business Plan 2018 – 23 (as agreed by the Board in December 2017)
 - SWP vision (as agreed by the Board in June 2018)

Appendix A – Business Plan Approval Timetable

28 September 2018	Board agree outline approach to Business Plan
2 November 2018	Board approves Draft Business Plan for consultation
Partner Authority Consultation	<p>The following meetings have been proposed: -</p> <ul style="list-style-type: none"> • SCC Cabinet – 12 November • SDC Executive – 21 November • Shadow Scrutiny for new authority (in lieu of separate TDBC and WSDC consultation) – 26 November • SSDC Executive – 6 December • MDC Cabinet – 10 December or 26 November • Joint Waste Scrutiny Panel – date tbc • Shadow Exec for new authority (in lieu of separate TDBC and WSDC consultation) – Provisionally scheduled for 17 Dec, but to seek to be rearranged ahead of SWB meeting on 14 December
14 December 2018	Board approves Business Plan Board notes Draft Budget 2019/20
15 February 2019	Board approves Budget 2019/20