

	Management Accounts Final Outturn Report 2018/19
Committee	Gloucestershire Joint Waste Committee
Committee Date	8 October 2019
Significant Decision	No
Responsible Officers	Wayne Lewis, Head of Gloucestershire Joint Waste Team (01452 425504), wayne.lewis@gloucestershire.gov.uk
Main Consultees	None
Purpose of Report	The report sets out: <ul style="list-style-type: none"> • The financial performance of the individual authorities within the JWC against their approved annual budget and shows the final outturn position for the financial year 2018/19. • The combined position across partners.
Recommendations	<i>It is recommended that the Committee:</i> Notes the financial performance as contained in this report.
Resource Implications	None

1. Background

- 1.1. When the Joint Waste Committee was formed it was agreed that budget setting and service charges are retained decisions for the individual authorities within the partnership.
- 1.2. The operational budgets for waste disposal, waste collection and street cleaning remain with their respective authority but are managed by officers within the Joint Waste Team.
- 1.3. The majority of the operational budget consists of payments to contractors: Gloucestershire County Council (GCC) contracts include Enovert for waste disposal and Ubico for Household Recycling Centres; Forest of Dean District Council (FODDC) contracts include Biffa for waste collection and street cleaning; whilst Cheltenham Borough Council (CBC), Cotswold District Council (CDC) and Tewkesbury Borough Council (TBC) waste collection and street cleaning services are provided by Ubico.
- 1.4. As GCC is the Administering Authority for the Joint Waste Committee, budgets associated with supporting the Joint Waste Committee are reported within their figures. Staffing costs for the Joint Waste Team are the largest element of this budget. These are transferred from each partner organisation to the Administering Authority on a quarterly basis.

2. Final 2018/19 Outturn

The combined revenue budget for GCC, CBC, CDC, FODDC and TBC is shown at Appendix 1. The final 2018/19 revenue outturn is an overspend of £221,000 (0.55% of the net budget).

3. Waste Disposal Costs

- 3.1. Appendix 2 shows the GCC revenue budget. The final outturn position for the waste disposal revenue budget is a balanced position.
- 3.2. Most expenditure variances arose due to changes in the actual waste tonnages versus the original forecasts. This had the effect of reducing waste disposal and composting costs whilst increasing the levels of recycling credit payments. Growth in recycling tonnages are approximately twice that of residual waste, which is a positive development.
- 3.3. Income associated with Household Recycling Centre (HRC) materials exceeded budget overall.
- 3.4. This income offset some of the overspend in other areas of the HRC budget, primarily that of the Ubico service contract. Ubico recorded overspend of approximately 5% of budget due to a number of factors, the most significant being compactor breakdown repairs. A programme of capital investment to replace this unreliable equipment kept repair costs lower than would otherwise have been the case.
- 3.5. The change in HRC opening hours delivered savings through reduced staff costs.

4. Waste Collection Costs

4.1. Cheltenham Borough Council (CBC)

- 4.1.1. The CBC revenue budget at appendix 3 shows an underspend of £36,000 across the services included within this report.
- 4.1.2. In February 2019, CBC through their budget monitoring process revised their budget upwards for Ubico by £344,000, this was offset by additional recycling income of £113,000. Therefore there was an overspend of £241,000 included in the revised numbers. This report is showing spend against the revised budget.
- 4.1.3. The underspend of £36,000 was due to Marketing Budget and Bulky waste savings.

4.2. Cotswold District Council (CDC)

- 4.2.1. CDC's revenue budget at Appendix 4 shows an outturn overspend of £82,000.
- 4.2.2. The outturn on household waste collection is an overspend of £108,000. The main reasons for this were £30,000 overspend due to purchase of waste receptacles, which was in addition to £55,000 in the Capital budget that was fully utilised, and £57,000 on the Ubico contract due to increased costs on vehicle maintenance and vehicle hire because of the older fleet, which is due for replacement in 2019.
- 4.2.3. Expenditure on green waste was £50,000 higher than budgeted due to increased participation in the scheme. However, this was fully offset by income from garden waste sales, which was £160,000 higher than anticipated due to the increased take up of the scheme.

4.2.4. Recycling Collection Schemes reported an overspend of £95,000. The main variances were due to increased costs on vehicle maintenance and vehicle hire because of the older fleet, and an underachievement in sales of other materials via Thamesdown.

4.2.5. The outturn on street cleaning was a balanced budget.

4.3. Forest of Dean District Council (FODDC)

4.3.1. FODDC at Appendix 5 is an outturn variance of £18,000 overspend.

4.3.2. The overspend was on the purchase of waste and recycling bins/ containers due to increase in demand because of the large numbers of new developments which have been built in the district over the last 12 months. There was also an increase in the number of garden waste service customers who required a new bin as they had not signed up for the service before.

4.4. Tewkesbury Borough Council (TBC)

4.4.1. TBC revenue budget at Appendix 6 shows an outturn overspend of £157,000.

4.4.2. The contract with Ubico Ltd was overspent by £191,000 for the financial year in relation to activities monitored by the Joint Waste Team. Ubico reported overspends on household waste, recycling collections and garden waste collections. The main reasons for this overspend was agency staff costs, spend on tyres for the year and cost of Personal Protective equipment.

4.4.3. There was a further loss of £54,000 against recycling collections schemes. This was due to the decrease in the commodity values for recycling material, which resulted in the Suez materials recycling facility (MRF) contract costs being higher than budgeted. Income for recycling collections schemes was less than anticipated due to lower levels of materials sent for recycling in quarter 4 because of contamination within the recycling loads that are tested on a monthly basis at the MRF, which resulted in recycling credits being less than budgeted.

4.4.4. These overspends were partly offset by a gain of £76,000 on the income for the garden waste service, which has been a result of moving to an annual renewal and sticker system for identifying customers whose bins require collection, and an additional gain of £21,000 for income on the collection of bulky waste items.

Appendix 1 – Total Revenue Budget Summary across all JWC partners

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Head of Service: Wayne Lewis

Budget Area	Total Budget £'000	Outturn £'000	Variance £'000
Joint Waste Management Unit			
Gross Expenditure	365	311	-54
Income	-365	-311	54
Net Expenditure	0	0	0
TOTAL – GJWP	0	0	0
<u>Waste Disposal</u>			
Royalty Payments	-710	-652	58
WCA Landfill and Composting			
Gross Expenditure	17,053	16,646	-407
Income	-24	-20	4
Net Expenditure	17,029	16,626	-403
Household Recycling Centres			
Gross Expenditure	5,317	5,566	249
Income	-524	-676	-152
Net Expenditure	4,793	4,890	97
Trade Waste	-5	-9	-4
Recycling Credits	4,267	4,577	310
Tipping Away	28	30	2
Closed Landfill Sites	29	26	-3
WCA Fridges and TVs	78	74	-4
Management Costs			
Gross Expenditure	4	35	31
Income	-8	-24	-16
Net Expenditure	-4	11	15
Waste Projects			
Gross Expenditure	50	75	25
Income	0	0	0
Net Expenditure	50	75	25
Marketing Promotions - Waste	50	52	2
TOTAL - WASTE DISPOSAL	25,605	25,700	95
<u>Waste Collection</u>			
Household Waste	4,660	4,937	277
Bulky Household Waste			
Gross Expenditure	107	141	34
Income	-151	-204	-53
Net Expenditure	-44	-63	-19
Food/Organic Waste			
Gross Expenditure	480	401	-79
Income	0	0	0

Net Expenditure	480	401	-79
Green Waste			
Gross Expenditure	2,711	2,790	79
Income	-2,577	-2,849	-272
Net Expenditure	134	-59	-193
Recycling Centres			
Gross Expenditure	560	588	28
Income	-163	-155	8
Net Expenditure	397	433	36
Bring Sites			
Gross Expenditure	305	303	-2
Income	-78	-76	2
Net Expenditure	227	227	0
Recycling Collection Schemes			
Gross Expenditure	6,625	6,824	199
Income	-2,859	-2,744	115
Net Expenditure	3,766	4,080	314
Bulking of Recyclables			
Gross Expenditure	440	426	-14
Income	-594	-598	-4
Net Expenditure	-154	-172	-18
Trade Waste			
Gross Expenditure	925	906	-19
Income	-918	-927	-9
Net Expenditure	7	-21	-28
Recycling Schemes Marketing	86	46	-40
TOTAL - WASTE COLLECTION	9,559	9,809	250
<u>Street Cleaning</u>	3,092	3,055	-37
<u>Central Costs</u>			
Central Support Costs	579	579	0
JWT Staffing Costs	663	576	-87
Depreciation	347	347	0
TOTAL - CENTRAL COSTS	1,589	1,502	-87
TOTAL NET EXPENDITURE	39,845	40,066	221

Appendix 2 – Gloucestershire County Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Partner: Gloucestershire County Council

Budget Area	Total Budget £'000	Outturn £'000	Variance £'000
Joint Waste Management Unit			
Gross Expenditure	365	311	-54
Income	-365	-311	54
Net Expenditure	0	0	0
TOTAL – GJWP	0	0	0
<u>Waste Disposal</u>			
Royalty Payments	-710	-652	58
WCA Landfill and Composting			
Gross Expenditure	17,053	16,646	-407
Income	-24	-20	4
Net Expenditure	17,029	16,626	-403
Household Recycling Centres			
Gross Expenditure	5,317	5,566	249
Income	-524	-676	-152
Net Expenditure	4,793	4,890	97
Trade Waste	-5	-9	-4
Recycling Credits	4,267	4,577	310
Tipping Away	28	30	2
Closed Landfill Sites	29	26	-3
WCA Fridges and TVs	78	74	-4
Management Costs			
Gross Expenditure	4	35	31
Income	-8	-24	-16
Net Expenditure	-4	11	15
Waste Projects			
Gross Expenditure	50	75	25
Income	0	0	0
Net Expenditure	50	75	25
Marketing Promotions - Waste	50	52	2
TOTAL - WASTE DISPOSAL	25,605	25,700	95
<u>Central Costs</u>			
Central Support Costs	579	579	0
JWT Staffing Costs	334	239	-95
TOTAL - CENTRAL COSTS	913	818	-95
TOTAL NET EXPENDITURE	26,518	26,518	0

Appendix 3 – Cheltenham Borough Council Revenue Budget Summary

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Partner: Cheltenham Borough Council

Budget Area	Total Budget £'000	Outturn £'000	Variance £'000
<u>Waste Collection</u>			
Household Waste	1,129	1,143	14
Bulky Household Waste			
Gross Expenditure	27	45	18
Income	-48	-63	-15
Net Expenditure	-21	-18	3
Green Waste			
Gross Expenditure	435	432	-3
Income	-680	-717	-37
Net Expenditure	-245	-285	-40
Recycling Centres			
Gross Expenditure	560	588	28
Income	-163	-155	8
Net Expenditure	397	433	36
Bring Sites			
Gross Expenditure	163	160	-3
Income	-63	-61	2
Net Expenditure	100	99	-1
Recycling Collection Schemes			
Gross Expenditure	2,287	2,298	11
Income	-538	-513	25
Net Expenditure	1,749	1,785	36
Bulking of Recyclables			
Gross Expenditure	440	426	-14
Income	-594	-598	-4
Net Expenditure	-154	-172	-18
Trade Waste			
Gross Expenditure	616	594	-22
Income	-637	-651	-14
Net Expenditure	-21	-57	-36
Recycling Schemes Marketing	23	4	-19
TOTAL - WASTE COLLECTION	2,957	2,932	-25
<u>Street Cleaning</u>	977	966	-11
<u>Central Costs</u>			
Central Support Costs	0	0	0
JWT Staffing Costs	61	61	0
Depreciation	71	71	0
TOTAL - CENTRAL COSTS	132	132	0
TOTAL NET EXPENDITURE	4,066	4,030	-36

Appendix 4 – Cotswold District Council Revenue Budget Summary

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Partner: Cotswold District Council

Budget Area	Total Budget £'000	Outturn £'000	Variance £'000
<u>Waste Collection</u>			
Household Waste	1,176	1,284	108
Bulky Household Waste			
Gross Expenditure	39	57	18
Income	-36	-53	-17
Net Expenditure	3	4	1
Green Waste			
Gross Expenditure	1,414	1,464	50
Income	-627	-787	-160
Net Expenditure	787	677	-110
Recycling Collection Schemes			
Gross Expenditure	1,796	1,840	44
Income	-1,035	-984	51
Net Expenditure	761	856	95
Recycling Schemes Marketing	13	2	-11
TOTAL - WASTE COLLECTION	2,740	2,823	83
<u>Street Cleaning</u>	1,085	1,085	0
<u>Central Costs</u>			
Central Support Costs	0	0	0
JWT Staffing Costs	50	50	0
Depreciation	31	30	-1
TOTAL - CENTRAL COSTS	81	80	-1
TOTAL NET EXPENDITURE	3,906	3,988	82

Appendix 5 – Forest of Dean District Council Revenue Budget Summary

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Partner: Forest of Dean District Council

Budget Area	Total Budget £'000	Outturn £'000	Variance £'000
<u>Waste Collection</u>			
Household Waste	1,472	1,479	7
Bulky Household Waste			
Gross Expenditure	41	39	-2
Income	-38	-38	0
Net Expenditure	3	1	-2
Food/Organic Waste			
Gross Expenditure	7	11	4
Income	0	0	0
Net Expenditure	7	11	4
Green Waste			
Gross Expenditure	437	451	14
Income	-572	-572	0
Net Expenditure	-135	-121	14
Bring Sites			
Gross Expenditure	142	143	1
Income	-15	-15	0
Net Expenditure	127	128	1
Recycling Collection Schemes			
Gross Expenditure	1,274	1,280	6
Income	-631	-633	-2
Net Expenditure	643	647	4
Recycling Schemes Marketing	35	31	-4
TOTAL - WASTE COLLECTION	2,152	2,176	24
<u>Street Cleaning</u>	552	541	-11
<u>Central Costs</u>			
Central Support Costs	0	0	0
JWT Staffing Costs	138	142	4
Depreciation	245	246	1
TOTAL - CENTRAL COSTS	383	388	5
TOTAL NET EXPENDITURE	3,087	3,105	18

Appendix 6 – Tewkesbury Borough Council Revenue Budget Summary

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2018/19 Final Outturn

Partner: Tewkesbury Borough Council

Budget Area	Total Budget £'000	5 Outturn £'000	6 Variance £'000
<u>Waste Collection</u>			
Household Waste	883	1,031	148
Bulky Household Waste			
Gross Expenditure			0
Income	-29	-50	-21
Net Expenditure	-29	-50	-21
Food/Organic Waste			
Gross Expenditure	473	390	-83
Income			0
Net Expenditure	473	390	-83
Green Waste			
Gross Expenditure	425	443	18
Income	-698	-773	-75
Net Expenditure	-273	-330	-57
Recycling Collection Schemes			
Gross Expenditure	1,268	1,406	138
Income	-655	-614	41
Net Expenditure	613	792	179
Trade Waste			
Gross Expenditure	309	312	3
Income	-281	-276	5
Net Expenditure	28	36	8
Recycling Schemes Marketing	15	9	-6
TOTAL - WASTE COLLECTION	1,710	1,878	168
<u>Street Cleaning</u>	478	463	-15
<u>Central Costs</u>			
Central Support Costs	0	0	0
JWT Staffing Costs	80	84	4
TOTAL - CENTRAL COSTS	80	84	4
TOTAL NET EXPENDITURE	2,268	2,425	157