



## Management Accounts Final Outturn Report 2014/15

<b>Committee</b>	Gloucestershire Joint Waste Committee
<b>Committee Date</b>	<b>13 October 2015</b>
<b>Significant Decision</b>	No
<b>Responsible Officers</b>	Steve Read, Head of Service, Gloucestershire Joint Waste Team (01823 625707); <a href="mailto:steve.read@gloucestershire.gov.uk">steve.read@gloucestershire.gov.uk</a> ;
<b>Main Consultees</b>	None
<b>Purpose of Report</b>	The purpose of this report is to set out the financial performance of the individual authorities within the JWC against their approved annual budget. It shows the final outturn for the financial year 2014/15 It also shows the combined position across authorities.
<b>Recommendations</b>	<b><i>It is recommended that the Committee:</i></b>  a) Notes the summary financial performance as contained in this report.
<b>Resource Implications</b>	None

### 1) Background

- a) 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.
- b) As such the operational budgets for waste disposal, waste collection and street cleaning have remained with their respective authority but are managed by officers within the Joint Waste Team.
- c) The majority of the operational budget is payment to contractors: Gloucestershire County Council contracts include Cory for waste disposal and Kier for Household Recycling Centres; Forest of Dean District Council contracts include Biffa for waste collection and street cleaning; and Cheltenham and Cotswold delivery provider for waste collection and street cleaning is the local authority company Ubico.
- d) As Gloucestershire County Council (GCC) is the Administering Authority for the Joint Waste Committee, budgets associated with running the Joint Waste

Committee are reported within their figures. Staffing costs for the Joint Waste Team form the most of this budget and these remain with the original partner organisation's budget but will be paid to the Administering Authority on a quarterly basis.

## **2) Outturn Financial Position**

- a) Appendix 1 is the combined revenue budgets for GCC, CBC, CDC and FODDC and shows the reported final outturn position for 2014/15.
- b) There is an overspend of £405,000 (1.18% of the net budget), the majority of which relates to waste disposal costs.

## **3) Waste Disposal Costs**

- a) Appendix 2 shows the Gloucestershire County Council revenue budget.
- b) The outturn for waste disposal is an overspend of £840,000, mainly due to additional tonnage being received above the base budget, particularly residual, garden and wood waste.

## **4) Waste Collection Costs**

- 5) Appendix 3 shows Cheltenham Borough Council revenue budget and the outturn for the year is an underspend of £79,000. During the year there has been reduced income from recycling, due to income for recyclables falling in recent months, however this has been offset by the impact of the year end Ubico underspend being redistributed to the authority.
- 6) Appendix 4 shows Cotswold District Council revenue budget and the outturn for the year is an underspend of £317,000. The reduced income from recycling due to falling rates from recyclables experienced during the year has been offset by the impact of the year end Ubico underspend being redistributed to the authority.
- 7) Appendix 5 shows Forest of Dean District Council revenue budget and the outturn is an underspend of £39,000. This is mainly attributed to the annual indexation applied to the contractor costs for collection of waste and recycling and street cleaning being less than expected due to low fuel prices. There was an overspend of £40,000 on recycling collection schemes. This is due to a decrease in income for recycling materials and the contribution from GCC for the food waste supply agreement not reaching the £100,000 target which is because of an increase in residual waste sent to landfill, however this was offset by the reduction in contractor costs. Although the 2014/15 budget is underspent it is highly likely that there will be an overspend in 2015/16 due to the falling value of recyclable materials. There have recently been two significant events which have impacted on the value of material streams. Firstly, Aylesford Newsprint, which was one of the largest paper mills in the UK, went into receivership and closed down. This has led to an oversupply of paper in the UK which led to average prices dropping from £90 per tonne in October 2014 to £50 per tonne in March 2015. Thankfully because the paper quality in the Forest of Dean is very good we have secured a new market in the UK for the materials. Secondly, the drop in the price of oil has lessened the value of recyclable plastics as virgin resins have become more competitively priced.

## Appendix 1 – Total Revenue Budget Summary across all JWC partners

Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2014/15 Reported Final Outturn Head of Service Steve Read			
Budget Area	Total Budget £'000	Outturn £'000	Year End Variance £'000
Joint Waste Management Unit	0	-52	-52
Joint Improvement Board	0	52	52
<b>TOTAL - GJWP</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Waste Disposal:</u></b>			
Royalty Payments	-608	-632	-24
WCA Landfill and Composting	16,284	17,036	752
Household Recycling Centres	4,065	4,569	504
Trade Waste	-17	-38	-21
Recycling Credits	3,374	3,299	-75
Tipping Away	54	55	1
Closed Landfill Sites	47	20	-27
WCA Fridges and TVs	64	83	19
Management Costs	64	11	-53
Waste Projects	196	53	-143
Waste Education	20	16	-4
OHIO	4	1	-3
Marketing Promotions - Waste	150	64	-86
<b>TOTAL - WASTE DISPOSAL</b>	<b>23,697</b>	<b>24,537</b>	<b>840</b>
<b><u>Waste Collection:</u></b>			
Household Waste	3,390	3,143	-247
Bulky Household Waste	-4	1	5
Food/Organic Waste	307	301	-6
Green Waste	484	268	-216
Recycling Centres	193	264	71
Bring Sites	90	104	14
Recycling Collection Schemes	1,696	1,696	0
Trade Waste	-99	-72	27
Recycling Schemes Marketing	52	35	-17
<b>TOTAL - WASTE COLLECTION</b>	<b>6,109</b>	<b>5,740</b>	<b>-369</b>
<b><u>Street Cleaning</u></b>	<b>2,108</b>	<b>1,977</b>	<b>-131</b>
<b><u>Central Costs:</u></b>			
Central Support Costs	1,482	1,470	-12
JWT Staffing Costs	434	440	6
Depreciation	533	604	71
<b>TOTAL - CENTRAL COSTS</b>	<b>2,449</b>	<b>2,514</b>	<b>65</b>
<b>TOTAL NET EXPENDITURE</b>	<b>34,363</b>	<b>34,768</b>	<b>405</b>

Note: Negative figures show underspend and positive figures show overspend

## Appendix 2 – Gloucestershire County Council Revenue Budget Summary

### Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2014/15 Reported Final Outturn

Head of Service: Steve Read

Partner: Gloucestershire County Council

Budget Area	Total Budget £'000	Outturn £'000	Year End Variance £'000
Joint Waste Management Unit	0	-52	-52
Joint Improvement Board	0	52	52
<b>TOTAL - GJWP</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b><u>Waste Disposal:</u></b>			
Royalty Payments	-608	-632	-24
WCA Landfill and Composting	16,284	17,036	752
Household Recycling Centres	4,065	4,569	504
Trade Waste	-17	-38	-21
Recycling Credits	3,374	3,299	-75
Tipping Away	54	55	1
Closed Landfill Sites	47	20	-27
WCA Fridges and TVs	64	83	19
Management Costs	64	11	-53
Waste Projects	196	53	-143
Waste Education	20	16	-4
OHIO	4	1	-3
Marketing Promotions - Waste	150	64	-86
<b>TOTAL - WASTE DISPOSAL</b>	<b>23,697</b>	<b>24,537</b>	<b>840</b>
<b><u>Central Costs:</u></b>			
Central Support Costs	859	859	0
JWT Staffing Costs	237	237	0
Depreciation			0
<b>TOTAL - CENTRAL COSTS</b>	<b>1,096</b>	<b>1,096</b>	<b>0</b>
<b>TOTAL NET EXPENDITURE</b>	<b>24,793</b>	<b>25,633</b>	<b>840</b>

Note: Negative figures show underspend and positive figures show overspend

## Appendix 3 – Cheltenham Borough Council Revenue Budget Summary

### Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2014/15 Reported Final Outturn

Head of Service: Steve Read

Partner: Cheltenham Borough Council

Budget Area	Total Budget £'000	Outturn £'000	Year End Variance £'000
<b><u>Waste Collection:</u></b>			
Household Waste	1,185	1,013	-172
Bulky Household Waste	-10	1	11
Food/Organic Waste			0
Green Waste	-119	-224	-105
Recycling Centres	193	264	71
Bring Sites	12	31	19
Recycling Collection Schemes	684	735	51
Trade Waste	-99	-72	27
Recycling Schemes Marketing	23	10	-13
<b>TOTAL - WASTE COLLECTION</b>	<b>1,869</b>	<b>1,758</b>	<b>-111</b>
<b><u>Street Cleaning</u></b>	<b>835</b>	<b>784</b>	<b>-51</b>
<b><u>Central Costs:</u></b>			
Central Support Costs	268	268	0
JWT Staffing Costs	30	35	5
Depreciation	45	123	78
<b>TOTAL - CENTRAL COSTS</b>	<b>343</b>	<b>426</b>	<b>83</b>
<b>TOTAL NET EXPENDITURE</b>	<b>3,047</b>	<b>2,968</b>	<b>-79</b>

Note: Negative figures show underspend and positive figures show overspend

## Appendix 4 – Cotswold District Council Revenue Budget Summary

### Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2014/15 Reported Final Outturn

Head of Service: Steve Read

Partner: Cotswold District Council

Budget Area	Total Budget £'000	Outturn £'000	Year End Variance £'000
<b><u>Waste Collection:</u></b>			
Household Waste	1,020	971	-49
Bulky Household Waste			0
Food/Organic Waste			0
Green Waste	745	653	-92
Recycling Centres			0
Bring Sites			0
Recycling Collection Schemes	809	718	-91
Trade Waste			0
Recycling Schemes Marketing			0
<b>TOTAL - WASTE COLLECTION</b>	<b>2,574</b>	<b>2,342</b>	<b>-232</b>
<b><u>Street Cleaning</u></b>	<b>773</b>	<b>707</b>	<b>-66</b>
<b><u>Central Costs:</u></b>			
Central Support Costs	160	148	-12
JWT Staffing Costs	38	38	0
Depreciation	91	84	-7
<b>TOTAL - CENTRAL COSTS</b>	<b>289</b>	<b>270</b>	<b>-19</b>
<b>TOTAL NET EXPENDITURE</b>	<b>3,636</b>	<b>3,319</b>	<b>-317</b>

Note: Negative figures show underspend and positive figures show overspend

## Appendix 5 – Forest of Dean District Council Revenue Budget Summary

### Revenue Budget Summary - Gloucestershire Joint Waste Partnership 2014/15 Reported Final Outturn

Head of Service: Steve Read

Partner: Forest of Dean District Council

Budget Area	Total Budget £'000	Outturn £'000	Year End Variance £'000
<b><u>Waste Collection:</u></b>			
Household Waste	1,185	1,159	-26
Bulky Household Waste	6	0	-6
Food/Organic Waste	307	301	-6
Green Waste	-142	-161	-19
Recycling Centres			0
Bring Sites	78	73	-5
Recycling Collection Schemes	203	243	40
Trade Waste			0
Recycling Schemes Marketing	29	25	-4
<b>TOTAL - WASTE COLLECTION</b>	<b>1,666</b>	<b>1,640</b>	<b>-26</b>
<b><u>Street Cleaning</u></b>	<b>500</b>	<b>486</b>	<b>-14</b>
<b><u>Central Costs:</u></b>			
Central Support Costs	195	195	0
JWT Staffing Costs	129	130	1
Depreciation	397	397	0
<b>TOTAL - CENTRAL COSTS</b>	<b>721</b>	<b>722</b>	<b>1</b>
<b>TOTAL NET EXPENDITURE</b>	<b>2,887</b>	<b>2,848</b>	<b>-39</b>

Note: Negative figures show underspend and positive figures show overspend