

	Management Accounts Final Outturn Report 2015/16
Committee	Gloucestershire Joint Waste Committee
Committee Date	4 October 2016
Significant Decision	No
Responsible Officers	Steve Read, Head of Service, Gloucestershire Joint Waste Team (01823 625707); steve.read@gloucestershire.gov.uk ;
Main Consultees	None
Purpose of Report	<p>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 2015/16</p> <p>It also shows the combined position across authorities.</p>
Recommendations	<p><i>It is recommended that the Committee:</i></p> <p>a) Notes the summary financial performance as contained in this report.</p>
Resource Implications	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 consists of payments 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, Cotswold and Tewkesbury 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 are the largest element of this budget. These are transferred from each partner organisation's budget to the Administering Authority on a quarterly basis.

2) Outturn Financial Position

- a) Appendix 1 shows the 2015/16 Revenue Outturn for the whole partnership. There is an underspend of £81,000 (0.21% of the net budget).
- b) Appendix 2 to 5 show the 2015/16 Revenue Outturn for each authority within the partnership and give details of actual spend against current budget.
- c) These figures are subject to examination by the external auditors of each of the partners, which will be completed by 30 September 2016. Whilst changes to these figures are not expected, it is not until the external auditors provide opinions on all of the partners' accounts can these figures be regarded as final.

3) Waste Disposal Costs

- a) Appendix 2 shows the Gloucestershire County Council revenue budget.
- b) The outturn position for waste disposal is an overspend of £92,000. There have been the usual month to month variations, with residual waste and dry recycling through Household Recycling Centres (HRCs) both being above budget for the year. The total tonnage accepted through HRCs has led to an overspend of £507,000. This overspend is offset by WCA kerbside residual waste collected being lower than budgeted, resulting in an underspend of £290,000, and underspends totalling £135,000 on project-related budgets due to delays outside the control of the Joint Waste Team. Variances on more minor budgets has resulted in the overall overspend position of £92,000.

4) Waste Collection Costs

- a) Appendix 3 shows Cheltenham Borough Council revenue budget. The outturn is an overspend of £192,000 against the revised budget. On recycling collection schemes recyclate commodity prices remained low meaning the Council continued to experience a drop in associated income compared to 2014, in addition there was an overspend on contractor costs as a result of having to employ additional resource and the need for higher than budgeted equipment purchases – this all led to an overspend of £125,000. The household recycling centre had an overspend as a result of the decrease in material income and there were additional contractor fees as a result of the bulking facility coming on line part way through the year all of which resulted in a overspend of £136,000. Increased income from customers using the kerbside green waste collection service generated £78,000 of additional income, but the household refuse collection service saw an overspend of £97,000 as a result of increased operational costs. Finally there were savings made from bring sites and recycling schemes marketing of £23,000 and £14,000.
- b) Appendix 4 shows Cotswold District Council revenue budget. The outturn is an underspend of £120,000. The majority of this underspend relates to Street Cleaning which shows an underspend of £108,000 due to the contract refund from Ubico. There are also underspends of the collection of household waste, due to reduced contractor costs arising from lower oil prices and associated fuel costs, leading to a £20,000 underspend, and increased income from customers using the kerbside green waste collection service, generating £45,000 additional income. These underspends are partly offset by an overspend of £53,000 on recycling collection schemes due to recyclate commodity prices remain low meaning the Council continued to experience a drop in recyclate income compared to 2014.
- c) Appendix 5 shows the Forest of Dean District Council revenue budget outturn is a net underspend of £24,000. There has been an overspend on bring sites and recycling collection schemes due to a decrease in income for recycling materials because of the falling value of recyclable materials. There has been an underspend on contractor costs for the collection of waste, recycling and street cleaning due to lower annual indexation

than expected because of low fuel prices. There has been an increase in the number of residents signing up to the garden waste service which has led to income being £21,000 higher than budgeted. Bulky waste income is £18,000 higher than budgeted due to an increase in the number of residents requesting the service. There has been an underspend on marketing this year as the annual calendar mailing has been postponed to June 2016 to tie in with the introduction of the new service.

- d) Appendix 6 shows the Tewkesbury Borough Council revenue budget outturn is a net underspend of £221,000. £107,000 is a notional underspend for central costs as these were estimated at the start of the year prior to the service moving to Ubico and a net underspend of £114,000 on service costs. Issues with needles contaminating recycling waste and vehicle hire for cover for suspended crews led to a forecast overspend of £49,000 on Household waste. This was offset by lower than predicted net costs for garden waste (£105,000 below budget due to increased income from new subscribers and a prudent budget being set at the start of the year) and an underspend of £6,000 on marketing. In addition, there was a net underspend of £7,000 on street cleansing.

Appendix 1 – Total Revenue Budget Summary across all JWC partners

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Budget Area	Original Budget £'000	Current Budget £'000	Outturn £'000	Year End Variance £'000
Joint Waste Management Unit	0	0	40	40
Joint Improvement Board	0	0	-40	-40
TOTAL - GJWP	0	0	0	0
<u>Waste Disposal:</u>	-			
Royalty Payments	-677	-677	-630	47
WCA Landfill and Composting	17,196	17,059	16,769	-290
Household Recycling Centres	4,167	4,167	4,674	507
Trade Waste	-5	-5	-19	-14
Recycling Credits	3,316	3,316	3,363	47
Tipping Away	56	56	56	0
Closed Landfill Sites	22	22	22	0
WCA Fridges and TVs	65	65	76	11
Management Costs	-2	-3	-5	-2
Waste Projects	100	164	73	-91
Waste Education	20	20	0	-20
Marketing Promotions - Waste	70	143	119	-24
TOTAL - WASTE DISPOSAL	24,328	24,327	24,498	171
<u>Waste Collection:</u>	-			
Household Waste	4,738	4,396	4,497	101
Bulky Household Waste	-5	-13	-18	-5
Food/Organic Waste	310	310	294	-16
Green Waste	595	296	32	-264
Recycling Centres	193	174	310	136
Bring Sites	87	122	154	32
Recycling Collection Schemes	1,825	2,003	2,190	187
Trade Waste	-80	-61	-54	7
Recycling Schemes Marketing	67	67	31	-36
TOTAL - WASTE COLLECTION	7,730	7,294	7,436	142
<u>Street Cleaning</u>	2,651	2,674	2,470	-204

Central Costs:	-			
Central Support Costs	1,376	1,854	1,742	-112
JWT Staffing Costs	566	566	487	-79
Depreciation	596	591	592	1
TOTAL - CENTRAL COSTS	2,538	3,011	2,821	-190
TOTAL NET EXPENDITURE	37,247	37,306	37,225	-81

Appendix 2 – Gloucestershire County Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Partner: Gloucestershire County Council

Budget Area	Original Budget £'000	Current Budget £'000	Outturn £'000	Year End Variance £'000
Joint Waste Management Unit	0	0	40	40
Joint Improvement Board	0	0	-40	-40
TOTAL - GJWP	0	0	0	0
<u>Waste Disposal:</u>	-			
Royalty Payments	-677	-677	-630	47
WCA Landfill and Composting	17,196	17,059	16,769	-290
Household Recycling Centres	4,167	4,167	4,674	507
Trade Waste	-5	-5	-19	-14
Recycling Credits	3,316	3,316	3,363	47
Tipping Away	56	56	56	0
Closed Landfill Sites	22	22	22	0
WCA Fridges and TVs	65	65	76	11
Management Costs	-2	-3	-5	-2
Waste Projects	100	164	73	-91
Waste Education	20	20	0	-20
Marketing Promotions - Waste	70	143	119	-24
TOTAL - WASTE DISPOSAL	24,328	24,327	24,498	171
<u>Central Costs:</u>	-			
Central Support Costs	498	912	912	0
JWT Staffing Costs	316	316	237	-79
Depreciation	5	0	0	0
TOTAL - CENTRAL COSTS	819	1,228	1,149	-79
TOTAL NET EXPENDITURE	25,147	25,555	25,647	92

Appendix 3 – Cheltenham Borough Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Partner: Cheltenham Borough Council

Budget Area	Original Budget £'000	Current Budget £'000	Outturn £'000	Year End Variance £'000
<u>Waste Collection:</u>	-			
Household Waste	1,185	1,031	1,128	97
Bulky Household Waste	-11	-19	-7	12
Food/Organic Waste				0
Green Waste	13	-193	-271	-78
Recycling Centres	193	174	310	136
Bring Sites	10	45	22	-23
Recycling Collection Schemes	518	790	915	125
Trade Waste	-112	-93	-87	6
Recycling Schemes Marketing	23	23	9	-14
TOTAL - WASTE COLLECTION	1,819	1,758	2,019	261
<u>Street Cleaning</u>	811	834	771	-63
<u>Central Costs:</u>	-			
Central Support Costs	268	342	342	0
JWT Staffing Costs	35	35	29	-6
Depreciation	45	42	42	0
TOTAL - CENTRAL COSTS	348	419	413	-6
TOTAL NET EXPENDITURE	2,978	3,011	3,203	192

Appendix 4 – Cotswold District Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Partner: Cotswold District Council

Budget Area	Original Budget £'000	Current Budget £'000	Outturn £'000	Year End Variance £'000
<u>Waste Collection:</u>	-			
Household Waste	1,177	1,177	1,157	-20
Bulky Household Waste				0
Food/Organic Waste				0
Green Waste	726	726	681	-45
Recycling Centres				0
Bring Sites				0
Recycling Collection Schemes	686	686	739	53
Trade Waste				0
Recycling Schemes Marketing				0
TOTAL - WASTE COLLECTION	2,589	2,589	2,577	-12
<u>Street Cleaning</u>	788	788	680	-108
<u>Central Costs:</u>	-			
Central Support Costs	140	140	140	0
JWT Staffing Costs	39	39	39	0
Depreciation	91	91	91	0
TOTAL - CENTRAL COSTS	270	270	270	0
TOTAL NET EXPENDITURE	3,647	3,647	3,527	-120

Appendix 5 – Forest of Dean District Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Partner: Forest of Dean District Council

Budget Area	Original Budget £'000	Current Budget £'000	Outturn £'000	Year End Variance £'000
<u>Waste Collection:</u>	-			
Household Waste	1,416	1,228	1,203	-25
Bulky Household Waste	6	6	-11	-17
Food/Organic Waste	310	310	294	-16
Green Waste	-57	-150	-186	-36
Recycling Centres				0
Bring Sites	77	77	132	55
Recycling Collection Schemes	366	272	327	55
Trade Waste				0
Recycling Schemes Marketing	29	29	13	-16
TOTAL - WASTE COLLECTION	2,147	1,772	1,772	0
<u>Street Cleaning</u>	518	518	492	-26
<u>Central Costs:</u>	-			
Central Support Costs	201	191	191	0
JWT Staffing Costs	134	134	136	2
Depreciation	397	400	400	0
TOTAL - CENTRAL COSTS	732	725	727	2
TOTAL NET EXPENDITURE	3,397	3,015	2,991	-24

Appendix 6 – Tewkesbury Borough Council

Revenue Budget Summary - Gloucestershire Joint Waste Partnership Outturn 2015/16

Head of Service: Steve Read

Partner: Tewkesbury Borough Council

Budget Area	Original Budget £'000	Current Budget £'000	5 Outturn £'000	6 Year End Variance £'000
<u>Waste Collection:</u>	-			
Household Waste	960	960	1,009	49
Bulky Household Waste				0
Food/Organic Waste				0
Green Waste	-87	-87	-192	-105
Recycling Centres				0
Bring Sites				0
Recycling Collection Schemes	255	255	209	-46
Trade Waste	32	32	33	1
Recycling Schemes Marketing	15	15	9	-6
TOTAL - WASTE COLLECTION	1,175	1,175	1,068	-107
<u>Street Cleaning</u>	534	534	527	-7
<u>Central Costs:</u>	-			
Central Support Costs	269	269	157	-112
JWT Staffing Costs	42	42	46	4
Depreciation	58	58	59	1
TOTAL - CENTRAL COSTS	369	369	262	-107
TOTAL NET EXPENDITURE	2,078	2,078	1,857	-221