

SOUTH HOLLAND DISTRICT COUNCIL

Report of: Executive Director Commercialisation (S151 Officer)

To: Governance & Audit Committee – 21 January 2016

Author: Ken Trotter - Interim Chief Accountant (Deputy S151 Officer)

Subject: Weekly Collection Support Scheme

Purpose: This report provides information on the funding provided to support weekly waste collections over a five year period.

Recommendations:

1. That the report be noted and information contained therein examined.
2. To consider whether the scheme conditions have been fulfilled and monies have been expended in line with these conditions.
3. To consider whether the remaining balance of funds should be released from Reserves in the 2015/16 financial year.
4. That following consideration of the above recommendations, the outcomes be reported back to Cabinet.

1.0 BACKGROUND

- 1.1 In January 2009 a survey of residents was conducted and 67.5% made it clear they would not be in favour of changing to fortnightly waste collections.
- 1.2 On the 22 of November 2012 the Department for Communities and Local Government confirmed that a bid from South Holland District Council for Weekly collections support had been successful.
- 1.3 £1,768,050 was granted over three years commencing in the 2012/13 financial year
 - £355,462 for 2012/13
 - £585,514 for 2013/14
 - £827,074 for 2014/15
- 1.4 The funding was conditional on the satisfactory and timely provision of evidence that the scheme has the full support of the council.
- 1.5 A further condition was that weekly waste collections would continue for a minimum of 5 years and that promotion of the scheme to residents would be carried out.

2.0 OPTIONS

- 2.1 To note the report
- 2.2 Provide comments to Cabinet on any areas of concern.

2.3 To do nothing.

3.0 REASONS FOR RECOMMENDATIONS

3.1 To provide timely information to members on the overall finances of the Council and to inform decisions in respect of available resources in the current financial year.

4.0 EXPECTED BENEFITS

4.1 To ensure that members are updated on the position in respect of this government grant and to act on any budget amendments required to reflect the latest position of spend and income.

5.0 IMPLICATIONS

5.1 Financial

5.1.1 The annual grant was analysed in the bid as follows

Area	2012/13	2013/14	2014/15	Total
	£	£	£	£
Resident education	161,012	120,514	122,074	403,600
Procurement	10,000			10,000
Black Residual Waste sacks	105,000	105,000	105,000	315,000
Revenue funding	276,012	225,514	227,074	728,600
Low emission Vehicles		360,000	600,000	960,000
Efficiency software	79,450			79,450
Capital Funding	79,450	360,000	600,000	1,039,450
Total Weekly collections support	355,462	585,514	827,074	1,768,050

5.1.2 Resident education included behavioural change and a reward programme and the project commenced in 2012/13. A project team was set up in June 2013 and the programme was completed in June 2015 at a direct cost of £229,719.

5.1.3 Procurement activities were completed in 2013 at a cost of £10,000

5.1.4 Black waste sack costs were funded from the grant in 2013/14, 2014/15 & 2015/16 at a cost of £105,000 per annum in line with the grant submission.

5.1.5 The project is now complete and the grant condition in respect of promotion of the scheme to residents has been satisfied. Direct costs of £554,719 have been incurred together with indirect costs of £173,881 (management & support staff) over three years. Indirect costs have not been charged to the grant in previous years and this will be done in 2015/16. Total revenue expenditure incurred and financed from the grant is £728,600.

5.1.6 Waste efficiency collection software was purchased in 2012/13 at a cost of £75,900.

5.1.7 8 low emissions vehicles (Euro 6) were included in the bid at an average cost of £120,000.

- 5.1.8 Capital expenditure (£385,305) in 2013/14 included 3 vehicles (Olympus 21W) at an average cost of £128,435.
- 5.1.9 Capital expenditure (£578,219) in 2014/15 included 4.5 vehicles (Olympus 21W) at an average cost of £128,435
- 5.1.10 Total capital expenditure incurred and financed from the grant is £1,039,424 leaving a balance of £26 to be applied in 2015/16.
- 5.1.11 Total expenditure is in line with the grant submission and the commitment to a minimum 5 year period for weekly collections is included in the 2016/17 Medium Term Financial plan.
- 5.1.12 The Council is committed to maintaining weekly collections until at least December 2017 and the current Medium Term Financial plan has this service continuing, without change, until 31 March 2020.

6.0 **WARDS/COMMUNITIES AFFECTED**

6.1 Budget implications affect all wards.

7.0 **ACRONYMS**

7.1 None.

Background papers:- None

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Director / Officer who will be attending the Meeting:

Ken Trotter – Interim Chief Accountant (Deputy Section151 Officer)
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Key Decision: No

Exempt Decision: No

This report refers to both Mandatory Service and Discretionary Services

Appendices attached to this report:

None