

Item 6a. Overview report

Introduction

This report, as item 6a, provides an overview of the tables and spreadsheets that form agenda items 6b, 6c and 6d;

- 6b – SWP Baseline review spreadsheet and summary table,
- 6c – SWP Comparison table,
- 6d – SWP Contracts register.

Along with other considerations to be aware of.

The information is provided to Members to offer the knowledge required to determine the future direction of the Partnership with regard to achieving holistic saving.

Explanation of 6b

This spreadsheet comprises a baseline financial review of each council waste management services for 2014/15. The template is the same for all councils where appropriate (variances between certain categories for collection, disposal and unitary), to ensure all data has been collated using the same methodology. Each council has supplied their own data to SWP for collation and has been approved at SWOG.

Due to the size of the spreadsheets for 10 councils, this excel document has been emailed to all JMWB attendees rather than issued as paper copies. A summary table, containing the end calculations of the in-depth spreadsheets, has been issued as a paper copy and will be discussed at the meeting.

The spreadsheets calculate the cost to each council of delivering their waste management services. This has been separated into two costs;

- a total cost includes all recharges which has been appropriated to the services, such as recharges for legal, audit and HR services,
- a true service cost which includes only charges relating directly to the running of all waste management services.

These costs are then divided by the number of the households to offer a value comparable between councils by accounting for the population of the areas. However it should be noted that the geographical size, the urban to rural density or the topography of the area cannot be accounted for within calculations.

Explanation of 6c

The effectiveness of the waste management services across SWP is reported to JWMB by recycling rate figures. To highlight the improvement in recycling rates in recent years, a comparison table shows the recycling rate for 2006/07 compared to 2014/15 (the same year offering the financial assessment in item 6b). This indicates that all councils

within SWP have increased their recycling rate significantly over the last 8 years, and are above the UK average for all local authorities.

2006/07 rates were used as this year offers a suitable baseline before any major service changes were implemented in most councils.

Explanation of 6c

A contracts register has been drafted to showcase the current variety and potential alignment of all councils' contracts. This offers the opportunity for councils to highlight where potential collaborative working may occur in the form of either joint contract procurement or joint contracts.

This register is an update of the existing register from May 2013.

Other papers for item 6

Item 6e is a table from the County Council showcasing the disposal costs per collection authority, based upon the assumptions noted. There is a slight differences between the budget figures provided on the baseline spreadsheet (6b), and this table, as averages and assumptions have been used here to get a "district" figure. The "gate fee" for some contracts isn't as straightforward as a simple figure and at any one point in time will depend on numerous other things. As such, the County Council will be delivering a presentation on the financial structure of the disposal contracts the next Waste Officers meeting in November.

Item 6f is a verbal report from the County Council on the topic of the potential left to squeeze further savings from the HWRC contract with FCC, including the impact of shutting sites.

Other aspects to consider

- Funding grant;

SWP has been awarded a grant of £20,000 from the Local Government Association to spend on the project of collaboratively working together to produce savings for the Staffordshire tax payer. The bid application was specifically vague to enable SWP to conduct the project according to the as yet undecided direction of the project as to how the savings will be achieved long term. The money granted to us on several conditions –

1. Money must be spent by March 2016.
2. Money must be spent as a Partnership.
3. Progress must be reported monthly to the LGA using the provided templates.
4. Lessons learnt and key outcomes must be shared with the LGA and the wider local authority audience for sharing best practice.

As such, by the end of November (when the first progress report is due), the LGA are expecting a full outline of how the money is to be spent with an associated timeline. Therefore, these aspects need to be agreed at October's JWMB meeting, in item 8.

With this in mind, it has been suggested at SWOG that to avoid repeating work previously done by consultants on creating a joint waste authority, we use the funding to obtain current waste composition analysis and modelling of new collection service ideas, such as reduction of residual collections.

- Memorandum of Understanding;

Chief Executives Group have created and discussed a new Memorandum of Understanding to ensure councils are signed up to the same ethos of achieving cost savings, above and beyond the already established Joint Municipal Waste Management Strategy for Staffordshire and Stoke on Trent, and Joint Waste Management Board. The outcome of discussions and therefore sign up to the MoU following the 1st October meeting is unknown by SWP at the time of writing this report. Please contact your council's Chief Executive for an update prior to the JWMB meeting.

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