

Taunton Deane Borough Council

Executive - 6 February 2013

Somerset Waste Partnership Draft Business Plan 2013 - 2018

Report of the Corporate and Client Services Manager (Richard Sealy) and the Somerset Waste Partnership Managing Director (Steve Read)

(This matter is the responsibility of Executive Councillor Ken Hayward)

1. Executive Summary

The report seeks approval for the Somerset Waste Partnership's Draft Business Plan for 2013/18 (a copy of which is attached at Appendix 1).

The report also recommends that we request the Waste Partnership to add an additional action to the Business Plan in relation to reviewing elements of the Cost Sharing Agreement with a view to improving the incentives for minimising waste tonnage.

2. Background

- 2.1 The Somerset Waste Partnership (SWP) has, since October 2007, managed waste and recycling services on behalf of all the local authorities in Somerset. The partnership is governed through a Joint Committee known as the Somerset Waste Board.
- 2.2 The SWP Constitution requires the single client unit to prepare a draft Business Plan with an accompanying Action Plan on an annual basis.
- 2.3 The Board then approves a draft Business Plan for consultation with the partners, so that each partner authority has the opportunity to comment on the plan.
- 2.4 The Board can, by majority vote, amend the Business Plan in order to accommodate any unforeseen circumstances and to assist the Board to achieve the Aims and Objectives. Any partner council can request such an amendment at any time.
- 2.5 The Board approved the attached Draft Plan and budget at its meeting on 14 December 2012.
- 2.6 Comments have been requested from the partner Authorities by mid February 2013 so that the Board can adopt the Plan and Budget at its meeting on 22 February 2013.
- 2.7 The details of the draft Business Plan and Action Plan are included at Appendix 1 to this report.

3. Purpose of the Business Plan

- 3.1 The Draft Business Plan and associated Action Plan are the means by which the partnership describes its business, evaluates changes to the operating environment, identifies strategic risks and sets out its priorities. The plan has a five year horizon with particular focus on the next 12 months. It is the primary means to seek approval for and to secure the necessary resources to implement its proposals from the partner authorities.
- 3.2 The plan also sets out the draft Annual Budget for the Waste Partnership for 2013/14.

4. Responsibility for the Business Plan

- 4.1 The Board has delegated authority for decision making across all services and therefore must make proposals to the partners on how savings can be made, taking into account any requirements to make savings and proposals on how this can be achieved. Under the terms of the Inter Authority Agreement, the Board cannot make a decision that has an adverse financial implication on any partner without the consent of that partner. The Board cannot refuse to accept savings targets handed down – but it does have discretion on how those savings can be implemented, provided all partners sign up through approval of the draft plan.

5. Key drivers for change

- 5.1 The Draft Business Plan has been brought together against the background of a continuing difficult economic situation. Subject to the actual settlement from Government, partners have not required the Board to deliver levels of savings for 2013/14 that should impact on the public, but the outlook for 2014/15 and beyond looks increasingly difficult.
- 5.2 The previous plan assumed that levels of residual waste would continue to fall in accordance with the trend in recent years. This assumption was closely monitored in the first two quarters of 2012/13 and has not been born out in practice across the County as a whole. Levels of waste for the first two quarters of this financial year were lower than in 2010/11 but higher than in the same period in 2011/12. This is causing a predicted overspend for the County Council in the region of £800K. Around half of this increase is accounted for by high levels of garden waste (via both kerbside collection and Recycling Centres) due to the extended growing season. The additional cost is incurred in transferring material from Recycling Centres and processing. Reasons are less clear for the other half but a preliminary report is under preparation for the Board following waste analysis in November.
- 5.3 The figures for Taunton Deane indicate that we still have the lowest overall tonnage per household across the County as a whole. Whilst our overall tonnage has risen slightly the increase is not as significant as in the other districts. However, the tonnage we are recycling has dropped slightly, which has detrimental implications for the level of recycling credits we receive. (NB. The anticipated impact of this reduction in recycling credits during 2013/14 means that we will need to find an additional budget of approximately £40k, which has been built into our budget calculations). The reasons for this drop off in

recycling are not clear and we are working with the Waste Partnership to understand this in greater detail. Reducing overall tonnage (whether residual or recycling) is obviously good as it is helping to achieve one of the Partnership's key objectives of waste minimisation. However, elements of the Cost Sharing Mechanism (CSM), as currently structured, do not incentivise our reducing tonnage for certain types of waste (dry recycling). Consequently it would be sensible for the benefit of all partners for elements of the CSM to be reviewed. A recommendation to this effect is made in this report.

- 5.4 The Contract extension with May Gurney was signed on 19 October 2012 and for the first time we are able to more closely predict the actual contract collection costs prior to December, with inflation levels being based on the year to September 2012. The cost to the contractor of delivering the service is significantly higher than the payments made by SWP; the difference – and any profit – being made up from the sale of materials. As in previous years the threshold for sharing profit was not reached.
- 5.5 The scope for significant further savings from the collection contract is therefore limited unless major changes are made to the service design and/or frequency.
- 5.6 SWP made one of 130 bids to Department for Communities and Local Government's £250 million Weekly Collection Support Scheme fund. The Secretary of State's intention in setting up the fund was to encourage Councils to restore weekly refuse collection or not to move to fortnightly collection. The Somerset Waste Board's view was that such a move was not necessary in Somerset for a number of reasons, including:
- The service is already provided weekly for most materials including food waste.
 - There is a very high public satisfaction level with the current service
 - The move may be a disincentive to recycle for some residents, reversing some of the waste minimisation and recycling benefits obtained when Sort It / Sort It Plus were first introduced.
 - The additional annual cost of such a move would be in the order of £3m-£4m in perpetuity and the fund would only cover up to three years of costs.
- 5.7 In the event most other Councils thought similarly and it is understood that only one Council in England bid to restore weekly refuse collections. Most of the 130 bids made by Councils were to add services already well established in Somerset. SWP did however submit a bid to collect Absorbent Hygiene Products (AHP) on a weekly cycle and, as a consequence, permitting a wider range of other dry recyclables to also be collected.
- 5.8 The Waste Board was notified on 22 November that its application was one of those that did not score highly enough in its assessment against the published criteria to be awarded funding.
- 5.9 The bid funding would have been the sole source of funding for the project and therefore we cannot set up and deliver this in 2013/14 as hoped. We will however consider including AHP collection as part of smaller scale "high diversion" trials where we add new materials and possibly review collection frequencies (action 1.2 in the Action Plan in Appendix 1 refers).

6. Key action points arising from the service review

6.1 SWP have carried out a Service Review which has resulted in a number of key areas for attention in 2013/14. These areas are reflected in the Draft Business plan and are summarised below:

6.2 *Waste Minimisation*

- Encourage thinking – the Green Routine
- Educative, positive engagement with communities where recycling is lower than average
- Reviewing households who have multiple refuse bins without apparent reason

6.3 *Viridor Contract Review* – to undertake a wide scale review of the Strategic Partnering Arrangement with Viridor to:

- Benchmark with other waste disposal authorities
- Evaluate whether the current contract is fit for purpose over the remaining term to 2022
- Evaluate options of non-landfill waste disposal options and how these might form part of a future plan
- Evaluate options for best value over the remaining term of the contract and option to extend by up to 9 further years (Plan Actions 3.6 and 5.1 refer)

6.4 *Anaerobic Digestion* - in 2011 SWP made significant progress on the development of an AD facility for food waste, culminating in the Board approving Head of Terms with Viridor in September. Construction started in the spring of 2012 and the facility is on schedule to start commissioning in spring 2013 with a view to full operation by the autumn.

6.5 *May Gurney Contract Review* - with the collection system well established; the cost of collecting additional kerbside material is low while the benefits in terms of reduced landfill are high. SWP will continue to promote the basic “recycle for all it’s worth” message – particularly in low performing areas. In addition SWP will seek savings and service improvements from better integration of business processes between client and contractor. (Plan Action 3.3 refers).

6.6 *Improved solutions for communal properties* - SWP has for some time aspired to provide better solutions for communal properties (i.e. flats, high rise, and other dwellings with shared facilities) and other properties that are not served or only partially served by Sort It Plus. Progress on this has been challenging and hampered by an unplanned lack of staff capacity during the autumn of 2012. This remains a key work stream and we will seek to learn from others, particularly more urban authorities. (Plan Actions 2.2 and 4.1 refer)

6.7 *Restructure of the Single Client Group* - the service review also led to an action to restructure the Single Client Unit to ensure our structure is well aligned to our changing objectives and to promote better public service and clearer lines of accountability. (Plan Action 3.2 refers)

7. Finance Comments

- 7.1 The Waste Partnership is largely funded from contributions from partners and has no block grant from Central Government or any reserves. It is therefore dependent on agreement between the partners on the level of funding provided by each of them in line with the cost sharing formula. Business Planning and Budget setting are part of the same process.
- 7.2 The Annual Budget, once finally approved, will become the new measure for the financial performance of the Waste Partnership for 2013/14. SWP will continue to share the costs among partners in the same way as previously.
- 7.3 The 2013/14 budget requirement for Taunton Deane projected in the Business Plan is £3,036m and has been built into our budget calculations.

8. Value for Money

- 8.1 The Audit Commission's Annual Audit Letter, which was formally noted by the Waste Board on 14 December 2012, provided an unqualified opinion in respect of the Waste Partnerships financial statements and value for money arrangements for the 2011/12 financial year.

9. Legal Comments

- 9.1 The waste collection contract is one of the Authority's largest contracts. The Waste Partnership fulfils the Authority's statutory responsibilities in regard to waste collection.

10. Links to Corporate Aims

- 10.1 SWP is one of the Authority's key partnerships and takes client and operational responsibilities for the delivery of our recycling and waste priorities.

11. Environmental Implications

- 11.1 Clearly, the vision of SWP is reducing carbon emissions and to "play a major role in the process of maximising resource-efficiency and minimising the overall carbon impact of Somerset's economy through innovative thinking, leadership and proactive service development. To do this is in a way that involves and challenges householders and small businesses to avoid waste in the first place and assist them to recycle, compost or recover energy value from what remains."

12. Community Safety Implications

- 12.1 The proposals and actions outlined in the Business Plan have no implications for community safety.

13. Equalities Impact

- 13.1 There are no proposals in the Business Plan which are expected to have adverse

equalities implications. Proposals to improve services and maximise capture from flats and other communal type properties will, when implemented, improve equality of service across households.

14. Risk Management

- 14.1 The SWP risk register has been reviewed and updated to take into account any changes proposed within the draft Business Plan.

15. Partnership Implications

- 15.1 The Somerset Waste Partnership is one of the Council's key partnerships. The Partnership undertakes the client and operational responsibilities for the delivery of our waste collection obligations and our recycling and waste reduction priorities.

16. Corporate Scrutiny Committee comments

- 16.1 The Corporate Scrutiny Committee reviewed this report and the attached Draft Business Plan on 24 January 2013. The Members supported the plan and made a number of suggestions in relation to the content of the Plan, which the SWP Managing Director, Steve Read, will look to incorporate. Members also noted Councillor Hayward's additional recommendation that the Executive should request the Waste Partnership review elements of the Cost Sharing Mechanism with a view to changing the mechanism to incentivise landfill avoidance.

- 16.2 Detailed below is a summary of the questions and comments from Corporate Scrutiny and responses provided:-

Q: Section 6.6 of the covering report refers to progress being "hampered by an unplanned lack of staff capacity during the autumn of 2012". What were the reasons for this lack of capacity?

A: Steve Read explained that this was due to an extended period of sickness absence, which had now come to an end.

Comment: The Business Plan was too long and the wording of the vision and priorities could be improved.

Comment: The Priorities section (B) contained an intention to "reduce the number of refuse bins which are being used without reason". But this was not included in the Action Plan. Steve Read thanked the Committee for spotting the unintentional omission which would be rectified.

Q: The reasons and appropriateness of the use of the word "unparalleled" in connection with the provision of recycling centres was questioned.

A: Steve Read confirmed that the recycling centre services provided by the partnership were unparalleled because the ratio of centres to households in Somerset exceeds that provided anywhere else in the country.

Q: Were the cameras to be provided for use at fly-tipping sites of sufficient quality to enable successful prosecutions.

A: Steve Read confirmed that they would be.

Q: The clarity and ease of use of the website for identifying opening times for recycling centres was questioned.

A: Steve Read expressed surprise and stated that the partnership had put a lot of work into its mobile as well as main websites. The page on opening hours was one of the most frequently hit and he was not aware of any issues. He would, however, ask his team to review.

Q: Do the partnership record the details of H&S near misses?

A: Steve Read stated that a number of performance indicators were monitored and were reported publicly to the Board twice a year. This includes near misses as well as accident frequency rates and notifications under the RIDDOR Regulations.

Q: Do the partnership sufficiently publish the details of recycling results and communicate carbon savings results?

A: SWP publish a wide range of general performance indicators publicly and an end use register. The latter provides details of carbon savings achieved through recycling of materials as well as where they are processed and what they are used for.

Q: Are the partnership undertaking invest to save projects?

A: Steve Read confirmed that although not specifically branded as such, they were and cited the new anaerobic digester at Walpole as an example.

Q: What was Plan B if West Somerset can no longer afford to remain in the partnership and would this result in additional costs for TDBC.

A: Steve Read stated that the partnership had identified this as being a high risk (in respect of any partner in view of the current economic climate) and that he was in close and regular contact with West Somerset about options. He reminded the Committee of the clause in the Inter Authority Agreement regarding the partnership not being able to implement changes in respect of one partner which detrimentally impacted on the others. In the event of problems the Board would naturally consider the impact on the whole county but the partners were under no obligation to subsidise each other.

Q: What plans were there to increase the recycling collections from flats around the town centre?

A; Steve confirmed that this is a priority for the partnership and that Viridor were being involved in trials of picking up food waste using larger communal bins.

Q: Were there any plans or funding to increase the opening hours at recycling centres?

A: Steve stated that the draft budget would not enable the partnership to increase the opening hours, but also did not require any further reduction in hours or increases in charges where these applied.

17. Recommendations

17.1 Members are recommended to:-

- i) Review and approve the Somerset Waste Partnership's Draft Business Plan. (Should Members identify any major aspects of the Draft Business Plan they would like to see amended, they are recommended to indicate any conditions or alternative proposals which would be acceptable); and
- ii) Request the addition of a further action to the Business Plan for the Waste Partnership to *"Investigate modification of the Cost Sharing Mechanism with particular regard to the way in which recycling credits are calculated. The aim being to further incentivise landfill avoidance ahead of dry recycling, for the benefit of all partners"*.

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Background papers

- Somerset Waste Partnership Constitution & Inter-Authority Agreement.
- Somerset Waste Board 14 December 2012 – agenda item 7 & paper C
- Somerset Waste Board 14 December 2012 – agenda item 8 & paper D

Appendices

- Appendix 1 – Draft Business Plan 2013-18 (includes the Draft Action Plan)



SWP BUSINESS PLAN 2013-18

Draft approved for partner consultation by the Somerset Waste Board on 14th December 2012
Publication Version 121219

(A) Vision

The Board adopted the following Vision in its first Business Plan, approved in July 2008:

To play a major role in the process of maximising resource-efficiency and minimising the overall carbon impact of Somerset's economy through innovative thinking, leadership and proactive service development.

To do this in a way that involves and challenges householders and small businesses to avoid waste in the first place and assist them to recycle, compost or recover energy value from what remains.

In 2011 we added:

To continue to demonstrate class leading value for money, transparency and accountability while making further efficiencies. Where any changes to services are required to be made, we will aim to make them in a way that minimises any potential adverse consequences for the community, the partners and the local economy.

(B) Priorities

For 2013-18 our key priorities are:

1. Work with the community to promote waste avoidance and to regard discarded material as a resource by maximising reuse, recycling and recovery.
 - *We will remain committed to driving improvement primarily through waste minimisation and recycling, composting or anaerobic digestion of discarded resources which have not been avoided.*
 - *We will do this through continued promotion of the Sort It Plus kerbside collection system, and generally positively encouraging residents to participate and to separate as much material as possible. Where there are barriers to this, for example lack of recycling containers we will provide them. We will reduce the number of extra refuse bins which are being used without reason other than to avoid sorting recycle.*

- *We will prioritise the encouragement of householders to recycle food waste in order to improve capture rates which may have declined in areas where the scheme is well established. We will link this with the launch of the Anaerobic Digestion facility at Walpole and the potential for green energy production.*
 - *Further to new materials added in 2012, we will enhance Sort It Plus with new materials where this provides a net economic and environmental benefit. We will undertake a trial “High Diversion” approach where we monitor the impact of collecting a wider range of recyclables.*
 - *We will maintain services at our unparalleled network of 18 Recycling Centres and Community Recycling Sites for household waste pending a further review of this service provision in 2013/14.*
 - *We will extend the range of resource recovery services offered to SMEs on a chargeable basis.*
2. Improve the quality and consistency of customer service, particularly during times of change.
- *We will continue to improve services to households in premises which don't fit easily with the standard Sort It Plus package.*
 - *Building on success in 2012, we will continue to work with our contractor planning and implementation of service change to minimise the impact on customers.*
 - *We will particularly focus on reducing the rates of missed collections which are not due to external factors.*
3. Work proactively with existing partners and seek new partners to deliver class-leading value for money.
- *Where possible we will continue to make savings in a manner that does not impact on service delivery. We expect this to be achievable for 2013/14 depending on the level of grant settlement from central Government but meeting this objective will be more challenging for 2014/15 onwards.*
 - *If levels of service have to be reduced as a consequence of financial pressures during the period of this plan, we will continue work with our partners to minimise any potential adverse consequences for the community, the partners and the local economy.*
4. Seek long term affordable and sustainable alternatives to landfill for material that cannot be avoided or recovered.
- *SWP has been closely involved with the development of the Waste Core Strategy which underwent Examination in Public in 2012 and is expected to be adopted in early 2013. We will continue to work closely with the County Council's minerals and waste team on the delivery of sound strategies and sites for future waste facilities.*

- *We will work with Viridor towards the commissioning of the Walpole Anaerobic Digestion facility in Spring 2013. The community will benefit from a share of income from sale of outputs (energy, heat and digestate) above a minimum threshold.*
- *We will continue to explore options for a non-landfill option for residual waste which, through energy and heat generation, offers both environmental and economic benefits in the short term. In accordance with the Waste Core Strategy and subject to delivery of suitable accessible options, we aim to move away from landfill as the primary disposal method by 2016.*

5. Continue to challenge and influence the resource management agenda at a national level and implement new national policies locally as efficiently as possible. We will also assist other local authorities, on a rechargeable basis where appropriate, to develop efficient and effective partnerships

- *We will, individually and as founder members of the Resource Association, continue to represent local authority interests in the circular economy (the continuous recycling of material for the same or similar use) with Government and with producers and retailers.*
- *We will continue to play our part in promoting Somerset's interest and good practice among other local authorities and Central Government. Where we support others we will recover our costs wherever possible.*
- *The MD of SWP will if commissioned, continue to give direct rechargeable support to the Gloucestershire Joint Waste Partnership.*

6. Assist local businesses to have access to affordable resource management solutions

- *We will work with May Gurney to develop accessible recycling services to businesses, particularly those in the more remote areas of the county.*
- *We will continue to maintain a Somerset Business Recycling Directory with details of those commercial recycling service providers locally who chose to provide us with this information.*
- *We will continue to work with Viridor to provide convenient and accessible recycling opportunities for producers of commercial waste at an increasing number of Recycling Centres and Community Recycling Sites.*

7. To undertake all activities safely and, as far as possible, to ensure business continuity when external factors, like extreme weather, intervenes.

- *We will continue to monitor and support our contractors' health and safety performance, ensuring potential risks to the public or the workforce are minimised.*

- *We will regularly review our business continuity arrangements to ensure that we can maintain services as well as possible under any constraints such as severe weather or other incidents.*

In order to continue to contribute to the reduction required in public service spending locally, we will not be able to:

1. Assume that the partners who fund SWP can afford to maintain current services over the next five years without significant challenge and review.

- *We will therefore work with the partners to critically examine our service levels and explore new ways of working with our contractors which could deliver further savings.*
- *In all cases we will consider the wider social and environmental impact before we propose any changes. We will consult on such changes where appropriate, and give reasonable notice of implementation.*

2. Reverse changes previously made or to increase hours of operation at Recycling Centres

- *However, unless there is a major change in economic circumstances or waste volumes, no additional changes at our sites will be made in 2013/14.*
- *The present intention is not to implement charging for other materials, but this is subject to review.*
- *The four Community Recycling Sites designated in 2011 will remain in operation at the current level of entrance fee.*
- *We will, however, continue to support district councils with extra costs where fly tipping exceeds 2010/11 levels*

(C) Action Plan

	Key Priority Area	Who	When	Expected Outcome
1.	Work with the community to promote waste avoidance and to regard discarded material as a resource by maximising reuse, recycling and recovery.			
1.1	Promote and encourage residents to make greater use of the food waste service, particularly highlighting the future role of Anaerobic Digestion in local sustainable energy production and the economic benefits of diversion from landfill.	Strategy & Communications Team Leader	Ongoing building to major PR in spring 2013	Increased capture of materials and maximising potential for diversion
1.2	Small scale trial “high diversion”(from landfill) kerbside collections of new materials, including for example, mixed plastics, household batteries, small waste electrical equipment and absorbent hygiene products. The trials may also explore the effect of varying frequencies of collection.	Project Team headed by Strategy & Communications Team Leader	Autumn 2013	Establish what blend of service provision optimises capture and public support.
1.3	Review the economics and practicalities of adding new materials for recycling at Recycling Sites. (for example carpets and mattresses)	Operations (East) Team Leader	Spring 2013	Reduce landfill and increase recycling rate
1.4	<ul style="list-style-type: none"> • Promote the reuse centre developed with Sedgemoor Furniture Store at Highbridge Recycling Centre • Introduce a trial reuse shop at Priorswood Recycling Centre • Develop a reuse scheme in partnership with St Margaret’s Hospice charity shops for reusable items taken to Dimmer Recycling Centre 	Project Team headed by Strategy and Communications Team Leader	Summer 2013	Meet public interest, increase reuse, assist local charitable organisations

	Key Priority Area	Who	When	Expected Outcome
1.5	Work with Street Scene sections and May Gurney to further develop facilities for 'Recycling on the Go'	Operations (West), Team Leader	Spring 2013	Reduce landfill and increase recycling rate
1.6	Delivery of the Publications, Promotion and Press/Media Relations Plan for 2013/14 (see section D below)	Strategy and Communications Team Leader	Continuous	Greater awareness of SWP services and increased reduction, reuse and recycling
1.7	With Streetscene units, develop a county-wide protocol for dealing with excess waste in a way that discourages the practice without serious impact on the amenity of an area.	Operations (West), Team Leader	Summer 2013	Encourage more recycling and improve amenity of areas.
2.	Improve the quality and consistency of customer service, particularly during times of change.			
2.1	Continue to develop working arrangements with May Gurney to strengthen the onus on the contractor to resolve complaints in-house, changing the SWP's role from <i>actioner</i> to <i>reviewer</i> , whilst maintaining our responsibility for monitoring and arbitration.	Project Team headed by Business Improvement Officer	Spring 2013	Avoid duplicated systems & responses, reduce number of complaints and to improve the consistency & quality of customer experience
2.2	Further improve services and maximise capture from flats and other communal type properties. This action is linked to action 4.1.	Project Team headed by Operations (West) Team Leader,	Ongoing throughout 2013/14	Improved service to customers and increased capture of recyclables/food waste

	Key Priority Area	Who	When	Expected Outcome
2.3	Evidenced based targeting and reviewing of initiatives in lower performing areas to improve capture of all recyclables	Project Team headed by Strategy & Communications Team Leader	On-going with updates and six monthly report to Board Members	Reduce landfill, increase Waste Minimisation and Recycling
2.4	Develop and deploy in-house enforcement capacity to deal with waste nuisance issues as a measure of last resort when educative and other informal approaches have failed to resolve the problem.	Operations (East) Team Leader	Continuous from Spring 2013	Reduce no. of complaints and improve consistency and quality of customer experience
2.5	Use of ANPR data to identify & contact persons suspected of bringing trade waste to Recycling Centres illegally.	Operations (East) Team Leader	Ongoing	Discourage abuse of sites by traders
2.6	Assist District Council partners in enforcement and education regarding flytipping.	Operations (East) Team Leader in conjunction with SMG	On-going	Reduce instances of flytipping
2.7	Work with community groups, where approached, to explore and if possible deliver local initiatives to promote waste minimisation and/or improve quality and sustainability of services.	Managing Director assisted by Team Leaders	Ongoing	Local initiatives or enhancements which provide value for money
3.	Work proactively with existing partners and seek new partners to deliver class-leading value for money.			
3.1	Undertake an internal structural review of the SWP single client group in response to outcome of service review and the Board's current objectives, aspirations and constraints.	Managing Director	Structural review Spring 2013	Align structure to objectives and promote clearer lines of accountability

	Key Priority Area	Who	When	Expected Outcome
3.2	Improve the interface between SWP and May Gurney to ensure more efficient back room operations such as accountancy, invoicing, customer complaint resolution and monitoring performance.	Project Team led by Business Improvement Officer	Underway – complete second phase by September 2013	Potential further efficiency savings and promote clearer lines of accountability
3.3	Continue to seek opportunities to work with adjoining authorities	Managing Director and Chairman	Report to Board by June 2012	Potential further efficiency savings via economies of scale
3.4	Continue to use staff secondments to May Gurney and MD support to the Gloucestershire Joint Waste Partnership, and others as appropriate as a means of generating income while retaining expertise in house.	Managing Director	Continue existing arrangements throughout 2013/14	Contribution to savings through positive opportunities
3.5	Undertake a review of the Strategic Partnering Agreement and Contract with Viridor to ensure continuing value for money. To include a review of future options for disposal (link with 5.1 below)	Project Team led by Managing Director with some external support	Spring 2013	Ensure contract is fit for purpose and delivering value given pressures on budgets
3.6	Implement policy to charge householders for replacement bins and pursue intention to charge developers to provide receptacles for new developments	Business Improvement Officer	July 2012	Reduce cost of replacement bins
3.7	Further review of zones and round structure to ensure all services are optimised, based on agreed change protocols with the contractor.	Operations (West) Team Leader	Spring / Summer 2013	Potential further efficiency savings

	Key Priority Area	Who	When	Expected Outcome
3.8	Work with planning officers at SCC (as waste planning authority) and the District Authorities to obtain support for SWP guidance on waste services provision to be adopted at all new housing developments.	Project team headed by Strategy & Communications Team Leader	Summer 2013	New housing better designed to facilitate service provision
4.	Assist local businesses to have access to affordable resource management solutions			
4.1	Continue to work with May Gurney and Viridor to develop accessible waste collection and recycling services to businesses, particularly those in remoter areas. Linked to Action 2.2 – opportunities to improve recycling services for schools and flats with communal collection points.	Operations (West) Team Leader	Summer 2013	Enhance options for SMEs and potential income stream
5.	Seek long term affordable and sustainable alternatives to landfill for material that cannot be avoided, recycled or recovered.			
5.1	To maintain a watching brief on energy from waste options identified through stakeholder workshops in 2009/10 and member visits in 2012. Work with Viridor to continue to review cost-effective alternatives to landfill for non recyclable waste as part of service review.	Managing Director	Aim to shift away from landfill by 2016	Long term cost effective alternative to landfill providing power & preferably heat
5.2	Work with Viridor to publicise launch Somerset's AD facility and encourage greater use of the food waste service.	Strategy & Communications Team Leader	Spring 2013	Raise awareness of processing and increase participation

	Key Priority Area	Who	When	Expected Outcome
6.	Continue to challenge and influence the resource management agenda at a national level and implement new national policies locally as efficiently as possible.			
6.1	The partnership will continue to lobby for improved quality and more effective producer responsibility contributions to assist packaging recycling in particular	Managing Director assisted by Board Members where appropriate	Ongoing	Promote the circular economy
6.2	Review local policies under the Controlled Waste Regulations 2012 where charges can be made for waste collection and disposal of some types of household waste	Operations (West) Team Leader	Review in Autumn 2013	Assurance that the policies are being correctly applied.
7.	To undertake all activities safely and, as far as possible, to ensure business continuity when external factors, like extreme weather, intervenes.			
7.1	Review Business Continuity Plans.	Business Improvement Officer	Spring 2013 and annually	
7.2	Continue to support contractors in their proactive approach to safety. Monitor, audit and report on performance.	Managing Director and SWP Senior Management Team	Biannual reports to SWB	Reduce the accident frequency rate

(D) Publications, Promotion and Press/Media Relations for 2013/14

SWP communications will support SWP services and encourage increased waste reduction, reuse and recycling by Somerset householders and businesses. A wide variety of communication methods will be used that are accessible, effective and offer value for money. We will develop and use evidence-based methods to target key messages.

In 2013/14, communication priorities will be to promote waste prevention, to publicise new anaerobic digestion of food waste and use this to encourage food waste recycling, and to undertake targeted initiatives to increase recycling and diversion of waste from landfill. This will be in addition to ensuring that information on SWP services is made available to householders. The programme will be further attuned to address issues arising from the waste analysis of kerbside refuse undertaken in November 2012 (further details to be presented to the Board in early 2013).

Publications – SWP's main publications will be:

- Annual news report with district services guide distributed as an insert in Your Somerset.
- SWP pages in annual Council Tax and Business Rates booklets (where partners continue to use these).
- Recycling and waste services guide.
- Waste minimisation guide.
- Business recycling directory.

Collection calendars and bank holidays – These will be provided for download from partner websites and distributed on request. Bank holiday collections will be advertised through SWP's annual newsletter in Your Somerset, SWP and partner websites, posters distributed to parish councils, libraries and other community outlets and by adverts in local papers before Christmas and Easter.

Direct distribution of service guides – A detailed services guide will be distributed to all households in one district every year, so all are covered over a 5-year cycle, with each covered in turn in order of lowest recycling rate. Some districts may be able to deliver these with Council Tax bills, so saving on distribution costs, with the saving then used for other communication initiatives in the district. We will assess the effectiveness of this on improving compliance and recycling capture.

Press and media – Following SWP's Communications Protocol, press releases will be issued to support SWP services and campaigns and supportive relationships maintained with local press and media. SWP will continue to ensure due recognition is given to partner authorities, including through district-specific press releases. Information will also be provided for inclusion in partner internal and external publications.

Websites – SWP's main and innovative new mobile websites will continue to be promoted and developed as the primary source of information on SWP waste services and waste reduction, reuse and recycling in Somerset.

Social media – SWP will maintain an active presence on Facebook, Twitter and You Tube, as well as local and targeted websites such as People Sites, About My Area and Net Mums.

E-newsletters – SWP's Sorted e-newsletter will continue to be distributed monthly to subscribers and we have started collecting Postcodes alongside email addresses with a view to offering household specific service information in future. We will encourage more households to sign up to Sorted to continue to build our database of email addresses. Regular e-bulletins will be issued to Members of partner authorities and a 6-monthly bulletin issued for staff of SWP contractors. Parish Councils will be sent an annual update on SWP services and other mailings with information on bank holiday collections and relevant information.

Community websites, radio and publications – Basic SWP service and contact information will be provided for community websites, radio and publications. They will also be provided with occasional updates on new SWP services and initiatives.

Targeted communications – Working with Carymoor Environmental Trust, SWP has been undertaking a variety of small-scale communication initiatives targeted on low performing rounds, including doorstepping and leafleting. Monitoring has shown this is having a positive effect, with one outcome being a number of requests for recycling containers by those without them. This work will be continued in 2013/14 and may involve new initiatives, with the aim of establishing which have greatest effect and are most cost-effective.

New residents – Some partners allow information on recycling and waste services to be sent out with Council Tax information to new residents, which will be extended to other districts, if possible.

Waste prevention – Implementation of SWP's Waste Prevention Strategy will continue in 2013/14. This will include giving priority to waste prevention in SWP communications, a focus on home composting in spring and on batteries in autumn, SWP's compost bin offer, continued support for local furniture reuse groups (including to encourage donation of serviceable domestic appliances) reuse trials at recycling sites and promotion of real nappies, especially through Children's Centres. SWP's big waste prevention initiative for 2013/14 will be Green Routine 2013, a year-long campaign, with monthly themes, to help people minimise waste, save money and have fun. This builds on SWP's Waste Action Conference in October 2012 and will involve community groups throughout Somerset being supported to run events, set-up projects and help cut waste through avoidance, reuse and repair. The campaign will be strongly promoted through the local media and online through e-newsletters and social media. A follow-up conference for community groups is planned in spring 2014.

Anaerobic digestion and food waste collections – The new anaerobic digestion (AD) plant for Somerset's food waste will be strongly promoted and publicised to promote awareness of the new facility and increase participation in food waste collections. A primary schools education pack, with PowerPoint presentation, lessons plans and extension activities, is being produced with Carymoor Environmental Trust, which will be distributed to primary schools in April 2013. This will include a specially commissioned information sheet on AD from plate to power and images from the authors of Horrible Science. It is planned that strong images will be used to promote the new AD facility. Accompanying the education pack will be a schools competition to promote food waste recycling and digestion with winning slogans and designs printed on leaflets for all pupils to take home. In autumn 2013, bin hangers and/or similar media will be used to promote food waste recycling and digestion. We will consult with Customer Services Teams on timing to assist with management of calls generated.

Compost Champions – With funding from Viridor, SWP will continue to work with Carymoor Environmental Trust to support and extend the very successful Compost Champions scheme with volunteers promoting and providing information on home composting in their communities, including through stalls at events, displays and talks. A 3-year programme is planned, which will include training days for volunteers, establishing permanent displays at visitor attractions and strengthening Compost Champion teams in each district.

Kerbside presentation – May Gurney have reported that poor kerbside presentation, with materials mixed in boxes increasing crew sorting time, adds to their costs and reduces collection efficiency. SWP will work with May Gurney with a view to directly communicating with households to improve presentation without discouraging participation.

Business recycling – Advice will continue to be provided through SWP’s website and business recycling directory of local services, which are regularly updated.

Fly-tipping – SWP will provide communications support to District StreetScene teams to help combat fly-tipping, including through information for websites and leaflets for distribution and provision to community groups.

Research – Work will be undertaken to analyse variations in recycling and waste generation by collection rounds and to identify successful communication initiatives in other parts of the country for potential future implementation in Somerset. SWP and May Gurney are working with the Partnership Intelligence Unit at Somerset County Council to link customer segmentation statistics, based on Mosaic, with round performance data. This may identify household characteristics associated with performance variation which can assist with understanding these variations, informing policy and planning targeted communications initiatives in future.

(E) Summary of Draft Annual Budget 2013/14

Rounded £000s	Total	SCC	MDC	SDC	SSDC	TDBC	WSDC
Expenditure							
SWP Client Salaries & On-Costs	970	460	112	117	166	112	3
Other Head Office Costs	209	96	23	24	35	23	8
Support Services	138	61	16	16	23	16	6
Disposal - Landfill	9677	9677					
Disposal - HWRCs	8393	8393					
Disposal - Food waste	2073	2073					
Disposal - Hazardous waste	302	302					
Composting	1625	1625					
Kerbside Recycling	8400		1745	1732	2590	1652	681
Green Waste Collections	2064		419	553	531	473	88
Household Refuse	5643		1155	1199	1705	1130	454
Clinical Waste	110		23	23	33	23	8
Bulky Waste Collection	77		17	9	27	16	8
Commercial Waste	41		0	0	41	0	0
Container Maintenance	173		35	41	53	34	10
Pension Costs (Transferred Crews)	91		2	3	83	2	1
Transitional Costs	218		45	47	66	45	15
Depot Costs	176		36	38	53	36	13

Housing Growth Adjustment							
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Transfer Station Avoided Costs	286	286					
Recycling Credits	2368	2368					
Capital Financing Costs	202		46	35	68	34	19
Total Direct Expenditure	43236	25341	3674	3837	5474	3596	1314

Income							
Sort It Plus Discounts	-330		-56	-91	-85	-68	-30
Transfer Station Avoided Costs	-286		-59	-61	-87	-58	-21
May Gurney Secondment Saving	-130	-60	-14	-15	-21	-15	-5
Recycling Credits	-2344		-490	-557	-691	-419	-187
Total Income	-3090	-60	-619	-724	-884	-560	-243
Total Net Expenditure	40146	25281	3055	3113	4590	3036	1071

Summary of 5 Year Budget Projection

Rounded £000s

2013/14 2014/15 2015/16 2016/17 2017/18

Expenditure						
Salaries & On-Costs		970	980	989	999	1009
Other Head Office Costs		209	215	220	226	231
Support Services		138	141	145	149	152
Disposal - Landfill		9677	10632	11027	11436	11860
Disposal - HWRCs		8393	8831	9197	9576	9972
Disposal - Food waste		2073	2038	2153	2274	2401
Disposal - Hazardous waste		302	316	330	345	361
Composting		1625	1706	1793	1883	1977
Kerbside Recycling		8400	8716	9045	9387	9740
Green Waste Collections		2064	2142	2223	2307	2394
Household Refuse		5643	5856	6077	6306	6544
Clinical Waste		110	114	119	123	128
Bulky Waste Collection		77	79	82	84	86
Commercial Waste		41	42	44	45	47
Container Maintenance & Delivery		173	179	184	190	197
Pension Costs		91	92	92	93	94
Transitional Costs		218	113	0	0	0

Depot Costs		176	176	176	176	176
Transfer Station Avoided Costs		286	294	303	312	322
Recycling Credits		2368	2440	2513	2588	2666
Capital Financing Costs		202	239	276	276	276
Total Direct Expenditure		43236	45341	46988	48775	50633

Income						
Sort It Plus Discounts		-330	-205	-80	-80	-80
Transfer Station Avoided Costs		-286	-286	-286	-286	-286
May Gurney Secondment Saving		-130	-130	-130	-130	-130
Recycling Credits		-2344	-2414	-2486	-2561	-2638
Total Income		-3090	-3035	-2982	-3057	-3133
Total Net Expenditure		40146	42306	44006	45718	47500

Speculative Working Assumptions for 5 year projection

- Pay award 1%* for 13/14 and then 1.0% for all future years (*as per SCC guidelines)
- Inflation of 2.5% for 13/14 onwards
- Housing growth of 0.75% for all years
- Contract inflation for collection contract 3.00% for all years
- Contract inflation for Disposal contract, RPI 3.5% all years; Baxter 4.0% all years.
- £8/T pa Landfill Tax Escalator ends in 2014/15 where it will stand at £80 per tonne and is replaced by an inflationary rise (Government policy on this not yet declared).

No assumptions have been made about future savings or changes to current service provision.

(F) Transparency

SWP is committed to transparency and has led the way in terms of initiatives such as the end use register. The following information will be made available on our website in a manner that makes it straightforward to find under the following headings:

Accountability; we will publish under “About us”:

- The names, addresses and contact details of the 12 members of the Somerset Waste Board including which council they represent.
- Links to all Board Agendas, Reports and Minutes (excluding confidential items – but we will only make items confidential where there is a strong justification).
- We will publish response to requests for information specifically requested under the Freedom of Information Act 2000 or the Environmental Information Regulations 2004 on our website, with the requester’s details redacted.

Key Performance indicators; we will publish in reports to Somerset Waste Board:

- Recycling rates for the county and district by district (at least twice annually)
- Kilograms per head of waste for the county and district by district (at least twice annually).
- Total tonnages sent to landfill (at least twice annually)
- Details of visitor numbers, tonnages and recycling rates at Recycling Centres (at least twice annually)
- Our annual end use register showing where material collected for composting or recycling goes for processing (annually).

Spending Indicators; we will publish:

- All items of expenditure over £500 (through Somerset County Council reporting arrangements)
- The Managing Director’s annual pay rate and expenses through the published Statement of Accounts.
- The organisational structure and the total salary and expense expenditure and an average figure for levels of remuneration.
- Total levels of expenditure on main contracts.
- Details for any new tender documents for contracts.

Value for Money

- We will publish reports from auditors after they have been received by the Somerset Waste Board.

(G) Risk Management

- We will publish our corporate risk matrix and review it at least twice annually.
- We will continue to publicly report to the Board twice a year on Health and Safety performance of the SWP and its contractors.

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