



SOUTH LONDON WASTE PARTNERSHIP

Report to: South London Waste Partnership (SLWP)
Joint Waste Committee

Date: Tuesday 4 February 2020

Report of: South London Waste Partnership Management Group

Author(s):
Michael Mackie, Finance Lead

Chair of the Meeting:
Cllr Stuart Collins

Report title:
SOUTH LONDON WASTE PARTNERSHIP FINAL BUDGET FOR 2020/21

Summary

This paper provides the final budget for the Partnership for 2020/21 for its core activities.

Recommendations

1. To agree the final budget for the core activities of the Partnership as set out in 2.3.

Background Documents and Previous Decisions

Previous budget reports.

1. Background

- 1.1. The Partnership is required to produce a draft budget for consideration by the Joint Waste Committee by 31st October each year. In accordance with the Inter Authority Agreement (IAA) the agreed draft budget is then subjected to consideration by the individual boroughs before a finalised budget is taken to the Joint Waste Committee for approval. The IAA sets out that the final budget must be approved by 31st December each year. Should an Annual Budget not be agreed by the Joint Committee by 31st December in any year, the previous year's Annual Budget, uplifted by RPI plus 2%, shall be deemed to have been agreed and shall be the Annual Budget for the following financial year until agreed otherwise by the Joint Committee.

2. Issues

- 2.1. The draft budget for Core Activities was agreed at the Joint Waste Committee on 17 September 2019, subject to consultation of the draft budget with borough Finance Directors, and the final budget being brought back to this committee.

- 2.2. This report was originally scheduled for the Joint Waste Committee on 17 December. As this meeting was rescheduled the final budget was not approved by 31 December and means the 2020/21 will be deemed to be the 2019/20 budget (£785,200) inflated by RPI plus 2% (4.1%). This would equate to a budget for 2020/21 of £817,400, until agreed otherwise by this committee.
- 2.3. The table below provides details of the final proposed budget for 2020/21 and includes the approved 2019/20 budget for comparison purposes. There have been no changes made to the draft budget agreed at the 17 September 2019 meeting.

Core and project Activities

Item	2019/20 Approved Budget £	2020/21 Final Budget £
<i>Internal & External Advisors and Accounting</i>	95,500	98,400
<i>SLWP Staff Resources and communications management</i>	598,700	615,400
<i>Document and Data Management</i>	24,500	25,000
<i>Communications</i>	65,500	26,000
<i>Project – HRRC Reprocurement</i>	0	50,000
TOTAL	785,200	814,800
COST PER BOROUGH	196,300	203,700

- 2.4. The 2020/21 budget provides for increments and pay and prices inflation of 2%
- 2.5. The Internal & External Advisors and Accounting budget allows the Partnership to engage external and internal advisors to provide expert legal, financial and technical advice in respect of all the partnerships contracts (Phase A, Phase B, HRRCs and Environmental Services). This also includes costs from Kingston for providing finance activities for managing Phase A transactions (£26k), costs from Croydon for providing finance activities for Phase B, the HRRC and the Environmental Services contract transactions (£26k).
- 2.6. The SLWP Staff Resources and communications management budget contains provision for seven posts (see below) and to buy in communication management.

1. Strategic Partnership Manager
2. Contract Manager (Phase A and B)
3. Project Support Officer
4. Contract Data Officer x 2
5. Contract Manager (Phase C - Lot 1)
6. Contract compliance officer
7. Waste Strategy Officer

- 2.7. Document and Data Management provides data storage for the Partnership's data room to allow the sharing of documents across the Partnership and for storage of project documentation in an online library which is available on-licence to authorised stakeholders.
- 2.8. The communications budget of £26k is for planning and delivering communications activities. The budget in 2019/20 included £40k for carrying out a triennial residents survey. This will be removed for the 2020/21 and 2021/22 budgets, and will be brought back into the draft budget during the 2022/23 budget process.
- 2.9. The HRRC is a 7 year contract running from October 2015 to 30 September 2022, with a maximum 7 years extension. The current indication is that Veolia will not extend the contract on the existing basis, therefore there will be a requirement to either re-procure or renegotiate the current contract. The resource requirement in 2020/21 is estimated at £50k.

3. Recommendations

- 3.1. To agree the final budget for the core activities of the Partnership as set out in 2.3.

4. Impacts and Implications:

Finance

- 4.1 Contained within the report.

Legal

- 4.2 Section 9 of the Inter Authority Agreement sets out the budget setting process for the Joint Waste Committee. This is referred to within the body of the report

5 Appendices

- 5.1 None