

**Report to:** South London Waste Partnership (SLWP) Joint Waste Committee  
**Date:** 16<sup>th</sup> July 2024  
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**Report title:** South London Waste Partnership Budget Update 2023/24 – Out turn

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## 1. SUMMARY

- 1.1 This paper provides an outturn position on the Partnership’s budget for the 2023/24 financial year.
- 1.2 At month 12, of the financial year 2023/24, that being 31<sup>st</sup> March 2024, the out turn is an underspend of £12,137 against the ‘revised’ budget.

	<b>Revised Budget</b>	<b>Out turn</b>	<b>Variance</b>
<b>TOTAL</b>	<b>£1,253,755</b>	<b>£1,241,619</b>	<b>-£12,137</b>

## 2. BACKGROUND

- 2.1 The Partnership sets its budget each year for the forthcoming financial year. Spend against budget is monitored monthly in order to respond to pressures and to allow budgets to be flexed where appropriate. The budget for 2023/24 was approved at the January 2023 Joint Committee and, following a budget challenge, a revised budget was agreed later in the year. Appendix 1 contains both the approved and the revised budgets, along with an individual borough out turns against the revised budget. The financial commentary that follows tracks spend year to date against the lower revised budget.

## 3. FINANCIAL POSITION COMMENTARY – 2023/24

### 3.1 Core Budget

- 3.2 The Core Partnership Activity budget covers staff salaries, IT, HR, the document management system, and finance support, as well as ad hoc legal and technical advisor support. The core staff activities include contract management, commissioning, infrastructure development work, and finance administration.
- 3.3 The budget for the ‘Core Partnership Team Activity’ reported an overspend of £21,594. This overspend is mainly attributed to staffing costs and relates to the NJC Pay Award for Local Government Services. An estimated 2.5% uplift had been included in the 2023/24 budget however the final amount agreed between the National Employers’ and Trade Unions exceeded this.
- 3.4 There was an overspend in relation to the SLWP document management systems (contract storage and health and safety monitoring).
- 3.5 The above overspends were offset by a £5,023 underspend in relation to legal activities in the Advisors and Corporate Support budget line.

	<b>Budget</b>	<b>Out turn</b>	<b>Variance</b>
<b>Core Partnership Team Activity</b>	<b>£850,005</b>	<b>£871,600</b>	<b>£21,594</b>
Advisors and Corporate Support	£65,608	£60,585	-£5,023
Document Management	£20,000	£23,170	£3,170
Core Staff Resources	£764,397	£787,845	£23,448

### 3.6 Communications and Improvement Projects

3.7 **Intelligence gathering** – As highlighted in the P6 budget update, a decision was made to not progress the Intelligence gathering during 2023/24. This decision was taken to respond to budget pressures that had been identified in the Core Partnership Activity and Commissioning Support budget lines.

3.8 **Green waste, food waste campaigns and resident engagement** – The spend-to-save green waste and food waste campaigns were both delivered successfully and to budget, delivering excellent returns on investment as reported to the Committee in June and December 2023 respectively. The resident engagement budget is being used to establish a campaign that will help raise awareness of the work the boroughs are doing to reduce the carbon impact of waste collection and treatment. This campaign will be delivered in 24/25.

	<b>Budget</b>	<b>Out turn</b>	<b>Variance</b>
<b>Communications &amp; Improvements Projects</b>	<b>£138,750</b>	<b>£73,750</b>	<b>-£65,000</b>
Resident Engagement	£10,000	£10,000	£0
Intelligence Gathering	£65,000	£0	-£65,000
Spend to save green waste campaign	£7,500	£7,500	£0
Spend to save food waste campaign	£56,250	£56,250	£0

### 3.9 Commissioning Projects

3.10 **HRRC Extension and Recyclates Commissioning** – This budget line reported an overspend of £12,791 at Period 12. The overspend can be attributed to legal costs accrued for finalising the recyclates processing contracts and for finalising the HRRC extension.

3.11 HRRC Extension progress update – At the time of writing, the HRRC extension is with legal teams for final sign with boroughs progressing their internal approvals processes.

3.12 Recyclates Commissioning progress update - Commissioning work on the new contracts has been concluded with contract award notices and contract drafting still to be undertaken (following completion of borough sign off processes).

3.13 **Waste Transfer Station Infrastructure Project** - Stage 2 of the Waste Transfer Station Infrastructure project was completed with a small overspend of £1,118.

3.14 **Collections and street cleansing services (Sutton, Kingston and Croydon)** – This budget line is reporting an overspend of £17,360 at period 12. This is due to the commissioning support activity requiring higher levels of resource than initially anticipated as the projects have progressed into the dialogue phase.

	<b>Budget</b>	<b>Out turn</b>	<b>Variance</b>
<b>Commissioning Projects</b>	<b>£265,000</b>	<b>£296,269</b>	<b>£31,269</b>
HRRC Extension & Recyclates Commissioning	£50,000	£62,791	£12,791
Waste Transfer Station Infrastructure Project	£65,000	£66,118	£1,118
Collections & Street Cleansing Commissioning	£150,000	£167,360	£17,360

#### **4. Recommendations:**

4.1 To note the content of this report.

#### **5. Impacts and Implications**

5.1 Finance - Contained within report.

#### **6. Appendices**

6.1 Appendix 1 SLWP Budget Detail 2023/24