

West of England Partnership Board
3 December 2009

Revised Waste Budgets 2009/10 – 2011/12

Recommendation

1. To note the 2008/09 out-turn and the 2009/10 estimated out-turn for the Waste Budgets.
2. To endorse the 2010/11 and 2011/12 proposed Waste Budgets and recommend appropriate provision within the authorities' budgets, subject to finalising the costs of Bristol City Council mobilising and managing the Phase 2 Waste Management Contract.

Background

3. A summary budget is attached for the full period of the West of England Waste Project updated to reflect 2009/10 expenditure and revised requirements in 2010/11 – 2011/12, including the suspension of Phase 3 Procurement. The 2008/09 final out-turn is also reported.
4. This report has been completed with the assistance of the four unitary authorities' Waste Finance Officers, Waste Directors and Heads of Spatial Planning and co-ordinated by the Bath and North East Somerset accountant. The Waste Directors have determined the remaining arrangements for Joint Waste Procurement. The Development Plan Document estimates are based on the assumption that the remaining internal and statutory procedures will be completed to plan.
5. The summary budget includes separate financial statements for:
 - Joint Municipal Waste Management Strategy
 - Joint Development Plan Document
 - Phase 1 Joint Waste Procurement
 - Phase 2 Joint Waste Procurement
 - Phase 3 Joint Waste Procurement
6. Overall, the main variations from the original budget are:
 - Development Plan Document. Estimated expenditure is on target in 2009/10, reduced in 2010/11 and it is estimated that no provision will be required in 2011/12. This is subject to the planned approvals for the Document being obtained internally, and the remaining statutory procedures being completed to plan.

- Phase 2 Waste Procurement. Reduced out-turn in 2008/9 and increased expenditure in 2010/11 (see paragraph 15 below)
 - Phase 3 Waste Procurement. Modest expenditure on salaries in early 2009/10, with no expenditure currently planned for the remainder of the year and from 2010/11 onwards, given the suspension of Phase 3 procurement. No further costs are expected unless there is a further proposal to develop a Phase 3 or similar arrangement.
7. On 20 November 2009 the Joint Waste Management Committee noted the budget out-turns and endorsed the 2010/11 and 2011/12 Waste Budgets, subject to finalising the costs of Bristol City Council mobilising and managing the Phase 2 Waste Management Contract.

Joint Municipal Waste Management Strategy

8. No expenditure has been incurred and none is planned.

Joint Development Plan Document

9. 2008/09 Out-turn
An under-spend of £104,000 subject to final confirmations.
10. 2009/10 Estimated Out-turn
On budget, subject to concluding successfully the planned approvals for the document internally, and the remaining statutory procedures being completed to plan.
11. 2010/11 Budget
Estimated budget reduced by £115,000 based on costings that assume the successful submission by April of the Development Plan Document and a Statutory Examination in Public (EIP) hearing in 2010 lasting no longer than 10 days.
12. 2011/12
Earlier estimated provisions of £257,000 deleted, on the assumption that the EIP concludes the Development Plan Document with no requirement for further work.

Phase 1 Joint Waste Procurement

13. No provision for 2009/10 - 2011/12, save for a charge of £688 in 2009/10 for the part of the waste composition analysis not met by the grant.

Phase 2 Joint Waste Procurement

14. 2008/09 Out-turn
Under spend of £25,000
15. 2009/10
It is estimated that expenditure will exceed provision by £89,000 because:
- Contract evaluation extended beyond March into April/May

- Additional legal fees incurred in finalising: the contract with the successful bidder; the Performance Bond; and, the inter-authority agreement
- The decision to appoint a part-time consultant project manager (to oversee contract mobilisation until 31 March 2011), given there is no longer a Project Director for Phase 3.

(1) Contract Evaluation and Award	£
Former Project Director 25%	2,167
Staff	15,127
Accommodation	3,779
Technical Advice: Jacobs	30,363
Legal Advice : Internal	3,847
: Alderwicks	39,825
Financial Advice : Internal	4,720
: PWC	7,548
Subtotal:	107,376
(2) Contract Mobilisation	
Consultant Project Manager:	74,988
Total:	182,364

16. 2010/11
Provision is made for the part-time consultant project manager and legal fees. Contract service commencement is April 2011.
17. There will be additional Phase 2 client contract mobilisation and management costs from April 2011; these are currently being assessed by the Waste Directors in conjunction with Bristol City Council for inclusion in future budgets.

Phase 3 Joint Waste Procurement

18. 2009/10 – 2010/11
All costs for Phase 3 in this period were incurred between April and June 2009. No further costs are expected unless there is a further proposal to develop a Phase 3 or similar arrangement.
19. The suspension of Phase 3 means there are modest staffing costs in the first half of 2009/10 against a budget of £1.39 million, and no planned expenditure against £1.36 million in 2010/11.

Appendix: Waste Budgets Summary

Authors: Terry Wagstaff, Chief Executive, West of England Partnership
Diana Hodges, B&NES Accountant
Tel: 0117 922 2639; Email: terry.wagstaff@westofengland.org
Tel: 0117 922 2769; Email: diana.hodges@westofengland.org

West of England Waste : Total Budget Summary

Project Totals	Actuals					Budgets						Total	Total		
	2005/06	2006/07	2007/08	2008/09	2008/09	2009/10	2009/10	2010/11	2010/11	2011/12	2011/12			Total	Total
	£	£	£	Budget £	Final Outturn £	Original £	Revised £	Original £	Revised £	Original £	Revised £			Original £	Revised £
Joint Municipal Waste Management Strategy	36,500	286,433	238,830		0		0		0		0	561,763	561,763		
Joint Development Plan Document		158,985	141,640	261,312	157,344 *	290,527	290,776	273,823	159,062	256,643	0	1,382,930	907,807		
Joint Waste Procurement				34,163	20,025	0	688	0	0	0	0	34,163	20,713		
				319,468	293,971	93,792	182,364	49,272	48,800	0	0	462,532	525,135		
Joint Waste Procurement				833,631	714,262	1,386,050	35,688	1,363,221	0	0	0	3,582,902	749,950		
Joint Waste Procurement			175,710	1,187,262	1,028,259	1,479,842	218,740	1,412,493	48,800	0	0	4,255,307	1,471,508		
Total	36,500	445,418	556,180	1,448,574	1,185,602	1,770,369	509,516	1,686,316	207,862	256,643	0	6,200,000	2,941,077		
* Awaiting confirmation of any costs directly recovered															
Cost by Authority															
B&NES															
Joint Municipal Waste Management Strategy	Note 1	9,125	71,608	59,708	0	0		0		0	0	140,441	140,441		
Joint Development Plan Document	Note 1		39,746	35,410	65,328	39,336	72,632	72,694	68,456	39,766	64,161	345,732	226,952		
Joint Waste Procurement	Note 2			29,871	61,582	54,470	16,904	31,229	8,129	8,740	0	116,487	124,311		
sub - total		9,125	111,355	124,989	126,910	93,806	89,536	103,923	76,585	48,506	64,161	602,660	491,704		
BCC															
Joint Municipal Waste Management Strategy	Note 1	9,125	71,608	59,708	0	0		0		0	0	140,441	140,441		
Joint Development Plan Document	Note 1		39,746	35,410	65,328	39,336	72,632	72,694	68,456	39,766	64,161	345,732	226,952		
Joint Waste Procurement	Note 2			65,013	483,430	416,258	527,748	82,293	635,087	16,992	0	1,711,278	580,556		
sub - total		9,125	111,355	160,131	548,758	455,594	600,380	154,987	703,543	56,757	64,161	2,197,452	947,949		
NSC															
Joint Municipal Waste Management Strategy	Note 1	9,125	71,608	59,708		0		0		0	0	140,441	140,441		
Joint Development Plan Document	Note 1		39,746	35,410	65,328	39,336	72,632	72,694	68,456	39,766	64,161	345,732	226,952		
Joint Waste Procurement	Note 2			36,899	309,779	262,865	480,405	48,163	395,396	10,673	0	1,222,479	358,601		
sub - total		9,125	111,355	132,017	375,107	302,201	553,037	120,857	463,852	50,439	64,161	1,708,652	725,993		
SGC															
Joint Municipal Waste Management Strategy	Note 1	9,125	71,608	59,708	0	0		0		0	0	140,441	140,441		
Joint Development Plan Document	Note 1		39,746	35,410	65,328	39,336	72,632	72,694	68,456	39,766	64,161	345,732	226,952		
Joint Waste Procurement	Note 2			43,928	332,471	294,665	454,785	57,053	373,881	12,395	0	1,205,064	408,040		
sub - total		9,125	111,355	139,046	397,798	334,001	527,417	129,747	442,337	52,160	64,161	1,691,238	775,433		
Total		36,500	445,418	556,180	1,448,574	1,185,602	1,770,369	509,515	1,686,316	207,862	256,643	6,200,001	2,941,078		

Notes

1) Costs shared equally

2) Costs split on basis of direct landfill tonnages previous year, with estimate for 2009/10 tonnages

3) No Ph 3 charge 2009/10 onwards required from B & NES

Directly Landfilled Municipal Waste Tonnages

	2007/08		2008/09	2009/10
	tonnes	%		
B & NES	54,766	17.35	52,743	50,772
BCC	111,540	35.33	112,532	98,704
NSC	70,437	22.31	65,861	62,000
SG	78,958	25.01	78,017	72,000
	315,701	100.00	309,153	283,476