

## Shaping the Council 2015-16 and beyond: Savings Business Case

<b>Business Case Title</b>	<b>Modifications to collection and treatment of Household Waste</b>		
<b>Revision No:</b>		<b>Date:</b>	<b>3 July 2014</b>
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### Section 1: Summary

#### Savings Proposal

Modifications to the receipt and segregation of waste materials will improve both collection and treatment functions together with cashable savings.

#### Strategic rationale

Within broad guidelines set in legislation (Environmental Protection Act 1990) the Council has discretionary powers to decide locally on arrangements for the segregation, collection and handling of Household Waste.

Specific modifications within the proposal are -

1. WITHDRAWAL OF THE FREE WEEKLY GARDEN WASTE COLLECTION, REPLACED BY A FORTNIGHTLY CHARGEABLE SERVICE (MARCH – OCTOBER) AND A MONTHLY CHARGEABLE SERVICE (NOVEMBER – FEBRUARY)
2. REROUTING ORGANIC KITCHEN WASTE TO RESIDUAL (GREY/GREEN) BIN COLLECTIONS
3. REDUCTION IN OPERATION OF THE LINFORD CA SITE FROM 7 DAYS TO 4 DAYS PER WEEK
4. A NEGOTIATED REDUCTION IN THE ENERGY FROM WASTE CONTRACT GATE FEE

#### Approximate Cost Savings

The proposals will realise savings of £688K 2015/16 and £230K 2016/17 giving a total saving of £918K across both years.

#### Timescales

<b>Activity</b>	<b>Timescale</b>
1. Modelling and project development	July – September 2014

<ol style="list-style-type: none"> <li>2. Employee/Trade Union consultations</li> <li>3. Contract modifications</li> <li>4. Contract procurement</li> <li>5. Public awareness campaign – preparation and delivery</li> <li>6. Go-live</li> </ol>	<p>July – December 2014</p> <p>July – December 2014</p> <p>August 2014 – August 2015</p> <p>April 2015 – November 2015</p> <p>November 2015</p>
<b>Risks /Consequences</b>	
<ol style="list-style-type: none"> <li>1. Reputational damage</li> <li>2. Legal challenge</li> <li>3. Illegal/damaging disposal of waste materials (flytipping etc)</li> <li>4. Diversion of waste materials to other collections (residual waste bins)</li> </ol>	
<b>Mitigation</b>	
<ol style="list-style-type: none"> <li>1. Business case supported by robust and reliable data</li> <li>2. Comprehensive public awareness campaign</li> </ol>	

## Section 2: Finance, savings and costs

### Financial summary

#### General Fund budget 2014-15

	Staff £000s	Premises / Transport £000s	Supplies/ Services £000s	Direct Payments £000s	Third Party Payments £000s	Total Expenditure Gross £000s	Income £000s	Net Expenditure £000s
2014/15	2,914.4	2,467.0	264.7	310.2	6097.3	12,053.6	-104.6	11,949.0

#### Staff Related savings

Current number of posts (FTE and headcount)	90 FTE, 90 Headcount	
Number of posts to be deleted (FTE and headcount)	12 FTE, 13 Headcount	
Amount of salary saving (inc on-costs)	15/16	£ 380.8K
	16/17	£ 380.8K

#### Non- Staff Related savings

Premises and buildings (inc utilities)		
Transport	1 vehicle to be reduced	
	15/16	£ 125.9K
	16/17	£ 125.9K
Supplies and services		
Other (please specify)		

#### Third Party Related savings/income

Commissioning/contracts		
Charges to the HRA/DSG/PHG (NB can be negative)		
Increase fees & charges	15/16	£ 437.8K
	16/17	£ 437.8K
Grants/additional funding streams		
Other (please specify) – Comms (£100k), enforcement (£75k), subsidised composters (£55k), collection and storage of brown bins (£70k), savings on disposal £160k.	15 / 16	£-256.5K
	16 / 17	£ -26.5K

#### Benefits – non financial

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#### Costs & Resources to deliver the savings

Direct costs	
Redundancy costs	Not quantified

Accommodation costs	
Procurement and/or Legal costs	
Other HR costs	
Other (please specify)	Losses on vehicle and plant disposals – Not quantified

## Section 3: Impact/Consequences of proposal – not covered in financial section

### Impact on Corporate Priorities/objectives/ performance targets/standards

Priority 1. Create a great place for learning and opportunity	
Priority 2. Encourage and promote job creation and economic prosperity	
Priority 3. Build pride, responsibility and respect to create safer communities	
Priority 4. Improve health and well-being	
Priority 5. Protect and promote our clean and green environment	The savings proposals will maintain statutory services. A reduction in garden waste collected may result in increased levels of fly tipping
Well-run organisation - financial & governance; staff; customers	

### Impacts on partners

No impact on Partners

### Impacts on customers / community and equality/diversity implications

Customers – changes to the provision of kerbside household waste services and Civic Amenity services

Community – negligible impact, waste compliant with statutory requirements

Equality & Diversity – kerbside garden waste collections to be a charged for service

Has an EqIA been undertaken?

NO Date:

### Other impacts/implications

Negative impact on recycling performance (NI 192) from redirecting kitchen waste to residual (non recyclable stream)

## Section 4: Risks and Mitigation

### Delivery risks

Risk Description	Likelihood	Impact	Rating	Management or Mitigating Action
Legal challenge	2	3	6	Changes implemented following democratic process

### Service risks

Risk Description	Likelihood	Impact	Rating	Management or Mitigating Action
Diversion of waste to other collection and handling streams	3	3	9	Advice and resident support

For information on the ratings criteria guide, please see <\\Thurdata01\data\THURROCK\EXCHANGE\ROM>

		4	8	12	16
		3	6	9	12
		2	4	6	8
		1	2	3	4
Likelihood					
					Impact

## Section 5: Assumptions, Dependencies & Exclusions

<b>Timeframes Assumptions/ Dependencies/Exclusions</b>	Key dates set in Section 1 project plan
<b>Benefits Assumptions/ Dependencies/Exclusions</b>	Successful contract renegotiation
<b>Costs Assumptions/ Dependencies/Exclusions</b>	Cost assumptions based on market trends

**Other/ General Assumptions/  
Dependencies/Exclusions**

None applicable

## Section 6: Stakeholder Engagement Requirements

		Approximate timelines
<b>Staff/Unions</b> NB. Services should not be undertaken consultation with staff in isolation – all such activity should be co-ordinated through Jackie Hinchliffe	yes	As section 1
<b>Portfolio Holders/Members</b> NB. Services should not be undertaken consultation with staff in isolation – all such activity should be co-ordinated through Directors Board	yes	As section 1
<b>Partners</b> NB. Services should not be undertaken consultation with partners in isolation – all such activity should be co-ordinated through Directors Board	yes	As section 1
<b>Residents/Public</b> NB. Services should not be undertaken consultation with staff in isolation – all such activity should be co-ordinated through Directors Board	yes	As section 1
<b>Other – please specify</b>	<input type="checkbox"/>	

## Section 7: Any other comments to support savings proposals