

**Neighbourhood and Environmental Health Services Portfolio – Scrutiny
Budget Briefing**

Portfolio Holder: Councillor Guy Jackson

Senior Officers: Neighbourhood Services Group Manager

Refuse & Recycling	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£1,475,444	£1,456,875	£1,481,755	£6,311 0.43%	£24,880 1.71%
Other Gross Direct Expenditure	£329,118	£338,573	£333,903	£4,785 1.45%	-£4,670 -1.38%
Direct Income	-£1,417,858	-£1,534,448	-£1,385,929	£31,929 -2.25%	£148,519 -9.68%
Net Direct Expenditure	£386,704	£261,000	£429,729	£43,025 11.13%	£168,729 64.65%
Overall No. of Posts (FTE)	44.00	44.00	44.00	0.00 0.00%	0.00 0.00%

Grounds Maintenance	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£188,172	£206,372	£204,395	£16,223 8.62%	-£1,977 -0.96%
Other Gross Direct Expenditure	£93,829	£88,629	£93,329	-£500 -0.53%	£4,700 5.30%
Direct Income	-£204,521	-£215,721	-£215,721	-£11,200 5.48%	£0 0.00%
Net Direct Expenditure	£77,480	£79,280	£82,003	£4,523 5.84%	£2,723 3.43%
Overall No. of Posts (FTE)	4.00	4.00	4.00	0.00 0.00%	0.00 0.00%

Cleansing	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£311,046	£311,046	£312,343	£1,297 0.42%	£1,297 0.42%
Other Gross Direct Expenditure	£28,499	£26,499	£26,499	-£2,000 -7.02%	£0 0.00%
Direct Income	-£65,167	-£65,167	-£65,167	£0 0.00%	£0 0.00%
Net Direct Expenditure	£274,378	£272,378	£273,675	-£703 -0.26%	£1,297 0.48%
Overall No. of Posts	10.22	10.22	10.22	0.00	0.00

(FTE)				0.00%	0.00%
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Fleet Management	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£167,671	£170,497	£158,322	-£9,349 -5.58%	-£12,175 -7.14%
Other Gross Direct Expenditure	£491,748	£489,848	£497,236	£5,488 1.12%	£7,388 1.51%
Direct Income	£0	-£11,000	£0	£0 0.00%	£11,000 -100.00%
Net Direct Expenditure	£659,419	£649,345	£655,558	-£3,861 -0.59%	£6,213 0.96%
Overall No. of Posts (FTE)	5.00	5.00	4.00	-1.00 -20.00%	-1.00 -20.00%

Neighbourhood Services - Total	2014/15 Approved Budget	2014/15 Revised Estimate	2015/16 Proposed Budget	% Change [C] - [A]	% Change [C] - [B]
	[A]	[B]	[C]		
Establishment Costs	£2,142,333	£2,144,790	£2,156,815	£14,482 0.68%	£12,025 0.56%
Other Gross Direct Expenditure	£943,194	£943,549	£950,967	£7,773 0.82%	£7,418 0.79%
Direct Income	-£1,687,546	-£1,826,336	-£1,666,817	£20,729 -1.23%	£159,519 -8.73%
Net Direct Expenditure	£1,397,981	£1,262,003	£1,440,965	£42,984 3.07%	£178,962 14.18%
Overall No. of Posts (FTE)	63.22	63.22	62.22	-1.00 -1.58%	-1.00 -1.58%

Key movements in budget and staff from last year

There have been no key movements in the number of FTE's since the launch of the new weekly kerbside recycling scheme in June 2013 which has proved very popular with residents and has settled in well and has given us a high quality recyclate that is delivered to Casepak in the north of the district.

Income has increased over the last 12 months; however anticipated changes to the County Council Budget will have a detrimental affect on income from 2015/16, this is due to LCC ceasing to pay recycling credits on green waste by using their powers of direction. This will have a net effect of reducing income by approx £148K.

Priorities

- Ensure that Blaby's Refuse and Recycling Service is lean, efficient and fit for purpose.
- Improve the overall appearance and cleanliness of community spaces.
- Commence construction of new depot (subject to planning permission being granted)

Services

Services covered within this portfolio are:

Refuse and Recycling: -

To provide a weekly refuse and a weekly comprehensive kerbside recycling service to approximately 40,000 houses within the district of Blaby. This equates to approximately 6.49 Million collections per annum. We also provide district recycling centres at 19 locations across Blaby District. The council are committed to providing the current level of service until June 2018 following receipt of funding of £2 Million from the DCLG in 2013.

In addition we also deliver a commercial refuse and recycling service to approximately 347 businesses within Blaby and the surrounding areas.

District Cleansing: - Maintains the cleanliness of all publicly owned land within Blaby District, including the weekly emptying of 561 litter bins and 483 dog bins, together with the associated litter picking and mechanical sweeping of adopted carriageways and footways. A daily cleanse of Blaby Town centre and toilets is also undertaken all year round including weekends. We also provide a litter picking service to assist Parish Councils for a contractual charge. A mechanical sweeping facility is also offered to private companies on a chargeable basis as an additional income stream.

Grounds Maintenance: - Carries out the Horticultural care and maintenance of all Blaby District Council verges, grassed areas, Parks and open spaces. In addition to this we also provide the grounds maintenance service for some Parish Councils and Leicestershire County Council on a contractual basis which contributes to our income generation.

Fleet Management Services: - Provision and maintenance of a fleet of municipal vehicles for the above operations ranging from ride on mowers and small vans to 26 Tonne Refuse collection vehicles. In addition to this other vehicles are provided for other service users within BDC e.g. Dog Warden Service.

Key points

<p>Doing things differently - plans for the coming year and beyond if relevant</p>	<p>The current recycling collection service is being thoroughly examined in order to maximise the economic advantages that can possibly be achieved without any detriment to service currently enjoyed by residents.</p> <p>In addition we are also looking at the viability of the 19 recycling centres around the district due to the comprehensive service offered with the kerbside recycling scheme.</p>
<p>Income generation</p>	<p>As the biggest income generator within the Authority, income levels are monitored and tracked on a monthly basis and any major downward or upward trends are scrutinised by senior management and appropriate action is taken to rectify the situation. Particular attention is paid towards the global commodity markets to ensure that the best prices are obtained for our recycle material and that the fuel is purchased in an economic and timely manner. Every aspect of income generation is examined in order that we are confident that all income streams are maximised.</p>
<p>Capital plans for the portfolio</p>	<p>The delivery of the new depot were included within the capital programme of 2014/15 and this will continue into the next financial year. Detailed construction estimates are in the process of being completed a cost schedule will be submitted to full council before construction begins.</p> <p>.</p>

Key performance indicators

- Cost per Household per Annum for each Service area.

	13/14	14/15
Grounds Maintenance	£ 4.76	£ 4.79
District Cleansing	£ 6.98	£ 6.80
Refuse and Recycling	£ 37.64	£ 36.42

NB These costs are inclusive of vehicle maintenance.

- Recycling Performance as a percentage.

13/14	14/15
50.00%*	50.00%**

- *Reduction due to street sweepings not allowed by EA(Environment Agency) to be composted and no back allocations from the MBT (Mechanical and biological treatment) facility at Cotesbach (no longer allowed by DEFRA (Department of the Environment and Food and Rural Affairs))
- **Full year effect of new recycling scheme has mitigated the losses above but will not increase performance.

Customers

A consultation exercise with customers will be undertaken late in the summer of the 2015/16 financial year on the new recycling collection service to determine whether the arrangements are the most customer friendly and meeting customer's needs. In addition to this some compositional analysis work will be undertaken on black bin waste in order to see in which parishes/areas recycling promotion is needed to maximise the income from the recycling scheme.

Risks

- The biggest risk to income is the continued lack of growth across the world which can have an effect on the income received by Neighbourhood Services for the sale of recyclates and may also include a lower than anticipated take-up of chargeable services by residents/businesses.
- Fuel prices are currently low and falling due to global over production but they could rise considerably during 2015/16
- If there is an adverse affect upon the budget due to either of the above issues then existing charging regimes may have to be re-examined and may need to be considered to make up any budget shortfall at the mid point in the financial year.