

Report to: South London Waste Partnership (SLWP) Joint Waste Committee
Date: 7th December 2023
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Report title: South London Waste Partnership Budget Update 2023/24 – Period 6 Update

1. SUMMARY

- 1.1 This paper provides an outturn position on the Partnership’s budget for the current financial year. At month 6 of the financial year 2023/24, that being 30th September 2023, the forecast outturn is an underspend of £1,375 against the ‘revised’ budget.

	Revised Budget	Forecast	Variance
TOTAL	£1,253,755	£1,252,380	-£1,375

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 forecasts 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’ is currently forecasting a total underspend of £6,376 which is mainly attributed to an underspend in staffing costs. At period 6 there is a confirmed overspend in relation to document management due to inflation assumptions.

	Budget	Forecast	Variance
Core Partnership Team Activity	£850,005	£843,629	£-6,376
Advisors and Corporate Support	£65,608	£65,543	-£65
Core Staff Resources	£764,397	£756,211	-£8,186
Document Management	£20,000	£21,876	£1,876

3.4 Communications and Improvement Projects

3.5 **Green waste and food waste campaigns** – these have now passed through the internal approvals process at borough officer level and work has commenced. At period 6 the food and green waste projects are forecasted to be delivered on budget.

3.6 **Intelligence gathering** - prior to any spend on intelligence gathering projects, it has been agreed that an approvals process will be undertaken in all four boroughs. At period 6 it is anticipated that the intelligence gathering will not be progressed and it will be presented as an underspend.

3.7 **Resident engagement** - It is anticipated that the resident engagement projects will be progressed and will be delivered on budget.

	Budget	Forecast	Variance
Communications and Improvements Projects	£141,250	£141,250	£0
Resident Engagement	£10,000	£10,000	£0
Intelligence Gathering	£65,000	£65,000	£0
Spend to save green waste campaign	£10,000	£10,000	£0
Spend to save food waste campaign	£56,250	£26,250	£0

3.8 Commissioning Projects

3.9 **Recyclates Treatment Contract** – From the 1st April 2025 the receipt treatment and recycling of kerbside collected recyclates will be a standalone service managed separately from the collections contract. Work to commission the new recyclates treatment contract/s is underway and will continue into the financial year 2024/25. Project costs for 2023/24 are included within the commissioning category and at period 6 current financial year activities are projected to be delivered within budget.

3.10 **HRRC Services** - Work to secure the continued delivery of the HRRC Services contract via an extension with variation is progressing through the approvals processes in each of the boroughs and at period 6 this project is projected to be delivered within budget.

3.11 **Collections and street cleansing services (Sutton, Kingston and Croydon)** – At period 6, the collections and street cleansing services commissioning activity is progressing through the Competitive Dialogue process. Technical support for the three boroughs is combined under this category and the forecast spend is currently anticipated to be within budget.

	Budget	Forecast	Variance
Commissioning Support	£265,000	£265,000	£0
HRRC Extension and Recyclates Commissioning	£50,000	£50,000	£0
Waste Transfer Station Infrastructure Project	£65,000	£70,000	£5,000
Collection and Street Cleansing Commissioning	£150,000	£150,000	£0

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 Approved Budget and Revised Budget