



To: Executive Councillor for Environment and Waste:
Councillor Peter Roberts
Report by: Director of Environment and Head of Finance
Relevant scrutiny Environment Scrutiny
committee: Committee 12 January 2016
Wards affected: All Wards

**Environment – Environment and Waste Portfolio
Revenue and Capital Budget Proposals for 2015/16 to 2019/20**

Key Decision

1. Executive summary

Revenue and Capital Budgets

1.1 The following report details the budget proposals relating to this portfolio that are included in the Budget-Setting Report (BSR) 2016/17 which will be considered at the following meetings:

Date	Committee	Comments
18 January 2016	Strategy & Resources	Consider proposals / recommendations from all Scrutiny Committees in relation to their portfolios
21 January 2016	The Executive	Budget amendment may be presented
8 February 2016	Strategy & Resources	Consider any further amendments including opposition proposals
25 February 2016	Council	Approves General Fund Budget and sets Council Tax

1.2 The report also includes a recommendation concerning the review of charges for this portfolio.

2. Recommendations

The Executive Councillor is recommended to:

Review of Charges:

- a) Approve the proposed charges for this portfolio’s services and facilities, as shown in Appendix A to this report.

Revenue:

- b) Consider the revenue budget proposals as shown in Appendix B.

Capital:

- c) Consider the capital budget proposals as shown in Appendix C.
- d) Adjust capital funding for items 2 (c).

3. Background

- 3.1 At its meeting on 22 October 2015, Council gave initial consideration to the budget prospects for the General Fund for 2016/17 and future years in the Mid-year Financial Review (MFR) 2015.
- 3.2 The overall BSR to Strategy & Resources Scrutiny Committee on 18 January 2016 will include a review of all the factors relating to the overall financial strategy that were included in the MFR.
- 3.3 The report to The Executive on 21 January 2016 may include details of the Government's Final Settlement for 2016/17. The announcement is likely to be made shortly after the conclusion of the consultation period, which ends on 15 January 2016.
- 3.4 Further work may be required on detailed budgets, so delegation to the Head of Finance will be sought from Council for authority to finalise changes relating for example, to the reallocation of departmental administration, support service and central costs, in accordance with the CIPFA Service Reporting Code of Practice for Local Authorities (SeRCOP).

Budget 2016/17 - Overall Revenue Budget Position

- 3.5 The budget proposals for this portfolio, as summarised in table 1, will be considered by the Executive at its meeting on 21 January 2016.

Table 1: Overall Revenue Proposals (see Appendix B)

Savings and Bids	2016/17 Budget £	2017/18 Forecast £
Savings:		
Increased Income	(333,000)	(333,000)
Savings	(196,900)	(169,900)
Total	(529,900)	(502,900)
Bids:		
Unavoidable Revenue Pressures	273,000	163,000
Reduced Income	-	-
Bids	23,500	23,500
Total	296,500	186,500
Net (savings)/bids	(233,400)	(316,400)

External Bids	-	-
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Non-Cash Limit Items	-	-
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Review of Charges

- 3.6 Proposals for the review of charges for this portfolio that require approval are presented in Appendix A.
- 3.7 As some charges are regulatory functions the review of charges for those functions will be reported to Licensing Committee for approval on 25 January 2016.
- 3.8 The statutory Licensing Act 2003 fees plus the Gambling Act 2005 fees which are set within parameters set by the department of Culture, Media and Sport are not shown in the appendix. These can be viewed on the City Council website.
<https://www.cambridge.gov.uk/licences-and-permits>

Capital

- 3.9 The review of the capital plan and capital approval processes, first proposed in MFR 2014, is now complete. The review addressed a number of concerns, as listed below:
- Capacity to deliver projects to time, cost and quality;
 - Dependency on revenue funding; and

- Inclusion of items, such as unallocated funds, projects at an early stage of development, and items more properly treated as small enhancements or maintenance spend.

3.10 Phase 1 sought to remove projects from the plan that were not fully specified and/or not deliverable. Phase 2 proposed and implemented new processes and procedures, including a Capital Programme Board to review and approve the planning and deliverability of schemes prior to funding approval. The operation of the board and the new processes will be kept under review to ensure effectiveness.

3.11 All capital proposals in this BSR have been put through the new processes. Additionally, new documentation was required for schemes already on the plan but not yet started, to ensure that they are planned and deliverable. Where satisfactory documentation has not been received, it is proposed that funding is withdrawn and the schemes are moved to the Projects Under Development (PUD) list.

Table 2: Overall Capital Proposals (see Appendix C)

	2016/17 £	2017/18 £	2018/19 £	2019/20 £
Capital Deletions	-	-	-	-
Capital Bids	425,100	-	-	-
Net Capital Bids	425,100	-	-	-

Public Consultation

3.12 The Council has carried out a budget consultation exercise annually since 2002. Last year, the council used a tool called “YouChoose”, in which residents were asked to say how they would increase or decrease the budget across a range of council services, to meet the council’s savings targets and set a balanced budget. In the YouChoose exercise, residents identified a number of services where they thought the biggest savings could be made. These included planning services, managing parks and public spaces, waste collection and recycling, running community centres, street cleaning, and enforcing environmental standards.

3.13 This year, the council asked a group of residents and businesses to take part in workshops to look in more detail at where savings could be made from the services picked out last year. BMG Research, an independent research agency, was commissioned to conduct deliberative workshops to explore their views. Three workshops involving a representative sample of residents and local businesses were run in August and early September 2015. Participants were asked to:

- Indicate how they perceived the Council and the services it provides.
- Give their initial views on a long-list of services (23) that make-up the five key service areas.
- Talk about their experiences of using the services (23).
- Discuss how they valued the services, and whether there were opportunities for doing things in a different way.

- Vote on the importance of services where ideas for savings (8) had been put forward.
- Give their initial views on the savings ideas.
- Consider the ideas for savings in a bit more depth.

3.14 The full report, published on the Council's website, sets out the key findings from the research. Section 3 of the BSR highlights the views of participants in the workshops, outlining similarities or differences between the views of resident and business representatives.

4. Implications

All budget proposals have a number of implications. A decision not to approve a revenue bid will impact on managers' ability to deliver the service or scheme in question and could have financial, staffing, equality and poverty, environmental, procurement, consultation and communication and / or community safety implications. A decision not to approve a capital or external bid will impact on managers' ability to deliver the developments desired in the service areas.

(a) Financial Implications

Financial implications of budget proposals are summarised in the BSR 2016/17.

(b) Staffing Implications

See text above.

(c) Equality and Poverty Implications

A consolidated Equality Impact Assessment for the Council's BSR will be submitted to The Executive at its meeting on 21 January 2016. Individual Equality Impact Assessments have been conducted to support this and will be available on the Council's website.

(d) Environmental Implications

Where relevant, officers have considered the environmental impact of budget proposals which are annotated as follows:

- +H / +M / +L: to indicate that the proposal has a high, medium or low positive impact.
- Nil: to indicate that the proposal has no climate change impact.
- -H / -M / -L: to indicate that the proposal has a high, medium or low negative impact.

(e) Procurement Implications

Any procurement implications will be outlined in the BSR 2016/17.

(f) **Consultation and Communication Implications**

As outlined in 3 above, budget proposals are based on the requirements of statutory and discretionary service provision. Public consultations are undertaken throughout the year and can be seen at:

<https://www.cambridge.gov.uk/budget-consultation>

(g) **Community Safety Implications**

Any community safety implications will be outlined in the BSR 2016/17.

5. Background papers

These background papers were used in the preparation of this report:

- Budget Setting Report 2016/17
- Mid-Year Financial Review 2015
- Individual Equality Impact Assessments

6. Appendices

The following items, where applicable, are included for discussion:

Appendix	Proposal Type	Included
A	Review of Fees & Charges	✓
B	Revenue Budget Proposals for this portfolio	✓
C	Capital Budget Proposals for this portfolio	✓

7. Inspection of papers

To inspect the background papers or if you have a query on the report please contact:

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Appendix A

Environment and Waste Services Portfolio / Environment Scrutiny Committee Review of Fees and Charges

Charge Type and Description	Charges 2015/16	Charges 2016/17	% Increase
Environmental Services			
Rodent control - Businesses - per hour (Half hour min. charge)*	£76.50	£90.00	17.6%
Fleas and Other - Invoice*	£90.00	£90.00	0.0%
- Businesses - per hour (Half hour min charge)*	£76.50	£90.00	17.6%
Mice Treatment - Businesses*	No Charge	£90.00	N/A
House / Car Alarms (fee includes administration costs)	Actual Costs	Actual Costs	0.0%
Lecture Fees - per hour	£70.00	£70.00	0.0%
Food Surrender and Disposal	Actual Costs	Actual Costs	0.0%
Food Register - single entry	£2.00	N/A	N/A
- entire register printed	£816.00	£835.00	2.3%
Taught CIEH courses	£60.00	£65.00	8.3%
Online CIEH Courses	£25.50	£26.00	2.0%
Examination following on-line courses	£20.50	£21.00	2.4%
Tailored Training	Actual Costs	Actual Costs	0.0%
Mentoring Training	Actual Costs	Actual Costs	0.0%
Primary Authority Partnership Scheme at £40 hour	Actual Costs	Actual Costs	0.0%
Contaminated Land (per Enquiry/Polygon)	£145.00	£200.00	37.9%
Scrap Metal Dealers			
Site Licence	£410.00	£420.00	2.4%
Conversion to collector's licence	£50.00	£51.00	2.0%
Change of licensee name	£50.00	£51.00	2.0%
Addition of site	£410.00	£420.00	2.4%
Removal of site	£50.00	£51.00	2.0%
Change of Site Manager	£120.00	£123.00	2.5%
Replacement of lost or damaged licence	£45.00	£46.00	2.2%
Collector's licence	£175.00	£179.00	2.3%
Conversion to site licence	£355.00	£363.00	2.3%
Change of name (e.g. status)	£50.00	£51.00	2.0%
Replacement of lost or damaged licence	£45.00	£46.00	2.2%
Taxi Vehicle Testing by the Garage			
Mechanical Fitness Test (Twice Yearly)	£56.00	£56.00	0.0%
Re-test if works carried out at a separate garage and returned within 10 days	£28.00	£28.00	0.0%
Re-test if works carried out at a separate garage and returned after 10 days	£56.00	£56.00	0.0%
Bulky domestic collections			
13 cubic metres domestic waste skip	£150.00	£170.00	13.3%
Bulky Domestic collections			
One item (Four bin bags or bundles = one item)	£22.00	N/A	N/A
Two or three items	£28.60	N/A	N/A
Four - six items	£33.00	N/A	N/A
Seven - 10 items	£44.00	N/A	N/A
10 items plus	By quote	N/A	N/A
NEW Bulky Domestic Collections - Shared Waste Service			
One to three items (excluding hazardous items)	N/A	£30.00	N/A
More than three items (per item)	N/A	£5.00	N/A
Hazardous domestic collections			
NEW Hazardous Domestic Collections - Shared Waste Service			
One to three items (Not including big American type fridges or car batteries)	£22.00	£30.00	36.4%
More than three items (per item)	N/A	£5.00	N/A
Other Domestic Collection Charges			
Delivery of a replacement black bin 240 litre - new	£50.00	£50.00	0.0%
Delivery of a replacement black bin 240 litre - reconditioned	£25.00	£25.00	0.0%
Delivery of a replacement black bin 140 litre - new	£25.00	£25.00	0.0%
Delivery of a replacement green/blue bin	FREE	FREE	0.0%
Annual 2nd green bin charge - per additional 240 litre	£30.00	£30.00	0.0%
Annual 2nd green bin charge - per additional 140 litre	£25.00	£25.00	0.0%
Delivery of a replacement 660/1100 litre container	By quote	By quote	0.0%
Delivery of a replacement 940 litre container	By quote	By quote	0.0%
Clearance of rubbish from bin stores	By quote	By quote	0.0%
Boxes of clear recycling sacks (200 sacks) *	£16.00	£16.00	0.0%
Recycling Kitchen Caddy Sacks (in packs of 50). Includes VAT.	£2.80	£2.80	0.0%
Dogs			
Statutory Fee for all stray dogs**	£25.00	£25.00	0.0%
Transportation cost of stray dog to kennel	£62.70	£64.25	2.5%
Kennels registration and vet checking fee	£49.20	£50.45	2.5%
Daily kennel charges	£12.00	£12.30	2.5%
Collection fee for stray dogs out of normal office hours	£71.75	£73.55	2.5%
* These charges are shown net of VAT			
** Externally set fees and charges			
Please note that animal businesses, skin piercing, sex establishment and taxi licences will be approved at Licensing Committee on 25th January 2016			

2016/17 Budget - Revenue proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Bids

Environment & Waste

B3783	Out of Hours Stray Dog Service - Contract Retainer	0	9,000	9,000	9,000	0	Don Blair	Nil
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The Council has a statutory duty to provide a location/ facility for the temporary holding of stray dogs. This service, including collection, temporary kennelling and transfer of dogs to Wood Green, was previously contracted out to a supplier, who terminated their contract with no notice in 2015. Working with Procurement, secured initial 'emergency' contract for the service and then ran an invitation to bid for new 3 year (2015-18) contract for the service. In response to invitation, only received single bid and this proposal relates to the contract retainer fee for the out of hours service from the supplier, which exceeds available budget by £9k. Policy option to help offset this unavoidable pressure by increasing fees and charges for returning collected stray dogs to their owners. 3.9

B3798	Volunteer Recycling Champion Scheme	0	14,500	14,500	14,500	0	Kylie Laws	+M
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The proposal is to continue to fund the Volunteers recycling champions scheme that is run by a part time coordinator for an additional three years. We have 183 volunteers who are sent quarterly newsletters and of which 33 are actively involved in supporting the work of the waste team. They do this by promoting waste prevention, reuse and recycling to residents through face to face contact at events, visits and door knocking. From April to July 2015 approximately 50 hours have been contributed over 15 different events, speaking to 800 people and over 500 kitchen caddies have been distributed along with information and advice on recycling and food waste services. The scheme supports sustainable waste management within Cambridge and encourages community engagement and volunteering. 5.7

Total Bids in Environment & Waste

0	23,500	23,500	23,500	0
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Total Bids

0	23,500	23,500	23,500	0
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2016/17 Budget - Revenue proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Increased Income

Environment & Waste

113778	Cambridge BID Contract 2015 - 2018	0	(60,000)	(60,000)	0	0	Don Blair	Nil
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The increased income reflects the contract awarded to the Street Cleansing team to undertake additional deep cleans and provide a rapid response cleansing team within the Cambridge BID area. This is a three year contract which began in April 2015. 2.9

113794	Increasing Business Sales by the Commercial Waste Service plus the recovery of the increase cost of disposal charges	0	(273,000)	(273,000)	(273,000)	(273,000)	Greg Hutton-Squire	+L
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The recovering local and national economy is reflected by the increased number of both customers and more work from existing customers. The Commercial Waste Service is ideally placed to take full advantage of the growth visible in and around the City of Cambridge. Plus extra income from the increase in prices to recover the waste disposal charges. 2.9

Total Increased Income in Environment & Waste	0	(333,000)	(333,000)	(273,000)	(273,000)			
Total Increased Income	0	(333,000)	(333,000)	(273,000)	(273,000)			

2016/17 Budget - Revenue proposals

Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Savings

Environment & Waste

S3754	Relocation Expenses	0	(8,900)	(8,900)	(8,900)	(8,900)	Yvonne O'Donnell	Nil
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The Refuse and Environment Operational support cost centre includes a relocation expenses budget for new members of staff which has not been spent for many years. It is proposed that this is offered up as a saving. Any future requirement to claim relocation expenses for any new staff member will be funded from an underspend at that time. n/a

S3795	Saving as a result of moving the Garage to Waterbeach	0	(153,000)	(126,000)	(133,000)	(133,000)	David Cox	Nil
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Following the proposal to move the garage to Waterbeach, in order to vacate the Mill road site, the restructure of the service and the bigger workshop allows for the ability to increase income levels. The initial costs and income projections are expected to result in a increased saving to the council. 2.5

S3827	Delete Operations Manager post in Streets and Open Spaces	0	(35,000)	(35,000)	(35,000)	(35,000)	Joel Carre	Nil
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It has transpired that this post, created in the new service structure but not yet filled, is not essential to delivering the requisite level of operational service, so the decision has been taken to take it out of the structure earlier than originally anticipated. n/a

Total Savings in Environment & Waste	0	(196,900)	(169,900)	(176,900)	(176,900)
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Total Savings	0	(196,900)	(169,900)	(176,900)	(176,900)
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2016/17 Budget - Revenue proposals

Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Unavoidable Revenue Pressure

Environment & Waste

URP3779	Contract Manager (Building Cleaning)	0	50,000	0	0	0	Joel Carre	Nil
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The Contract Manager (Building Cleaning) post was appointed on an initial 12 month fixed term basis, commencing June 2015, to manage the £1m+ Churchill building cleaning contract (City Homes; Parking; Public Toilets; Council buildings). The initial budget for the post was secured from salary underspend in Streets and Open Spaces associated with vacancies in previous Operations team structure. The Churchill contract commenced June 2015 and runs for a 5 year (plus 2) period. There is an ongoing need for contract management capacity to manage this contract, though the current level of need (1 FTE) is likely to reduce over time as Churchill addresses the current performance issues and the client: contractor relationship matures. 2.9

URP3791	Recycling bins for current residents	0	40,000	40,000	40,000	40,000	Kylie Laws	+M
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This is a bid for the purchase of recycling bins for houses and flats around the city. It will cover all sizes of bins as necessary and ensure residents have the bins they need to participate in the recycling and composting collections. 2.9

URP3792	Commercial Waste Service - Bin Purchase	0	60,000	0	0	0	Greg Hutton-Squire	Nil
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Following the discontinuation of the Repairs and Renewals Fund no allocations of maintenance funding was made to cover the purchase of Commercial Waste bins. A bid is required to purchase bins, of both reconditioned second hand as well as new bins, of varying sizes and types to supply both existing and new customers. All purchases are procured from existing ESPO suppliers on a continuous, year round basis as required by the growing service. It is proposed that this bid is a one year bid only. The funding of bin purchases after that date will be subject to a review as part of the Shared Waste Service where additional income and costs will be shared between the City Council and South Cambridgeshire District Council. 2.9

URP3799	Additional cost of landfilling commercial waste due to national escalator rise and increased tonnage collected.	0	123,000	123,000	123,000	123,000	Greg Hutton-Squire	+M
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Central Government Landfill Tax is expected to rise in April 2016 by an extra £1.80 per tonne. This is on top of the County Council's contractor RPI increased gate fee resulting in a total waste disposal cost to the service of £100.40 per tonne. In addition there is a projected rise of waste being collected due to an increased number of customers. This is an unavoidable cost but prices will be increased to recover these charges. 2.9

Total Unavoidable Revenue Pressure in Environment & Waste	0	273,000	163,000	163,000	163,000			
Total Unavoidable Revenue Pressure	0	273,000	163,000	163,000	163,000			

2016/17 Budget - Revenue proposals

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
Report Total		0	(233,400)	(316,400)	(263,400)	(286,900)		

2016/17 Budget - Capital

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Reference	Item Description	2015/16 Budget £	2016/17 Budget £	2017/18 Budget £	2018/19 Budget £	2019/20 Budget £	Contact	Climate Effect & Poverty Ratings
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Capital Bids

Environment & Waste

C3753	Purchase of electric van for use by the Pest Control service	0	21,600	0	0	0	Yvonne O'Donnell	+M
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Currently, the pest control service has 2 officers who have to drive around the City to fulfil the service objectives. One has a dedicated electric Council vehicle which is eco-conscious and health and safety compliant for the service. The other officer drives his own car which is a petrol vehicle and does not fully comply with the health and safety requirements for the task. To enable the pest service to be fully legally compliant and improve our air quality standards, permitting the acquisition of an electric van will satisfy this. 2.9

C3790	Vehicle Fleet Replacement [R & R]	0	348,500	0	0	0	David Cox	+M
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The project is for the purchase of the Council's fleet vehicles, plant and equipment scheduled and required for replacement in the four year period commencing 2016/17, as part of a rolling programme necessary to replace out of life vehicles that would otherwise significantly increase maintenance costs. 2.9

Replacements due from 2017/18 onwards will be shown on the Projects Under Development (PUD) list.

C3793	Updated cost for the purchase of the North West Cambridge Underground collection vehicle	0	55,000	0	0	0	Michael Parsons	+M
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A budget of £210k has been previously approved for the purchase of an underground collection vehicle for use at the North West Cambridge site. A tender process has since been carried out and it has indicated that the cost will be in the region of £265k. The additional budget of £55k would be funded by £7k from reserves and the balance of £48k from the University. Collections from the site are due to start in Sept 2016. Any costs over and above those of a standard collection will be met by the University in line with the s106 agreement with them. Collections will be undertaken by the City Council for all properties on this site and a formulae has been devised to ensure that any costs incurred for collections outside the boundary will be recovered from South Cambs DC. 2.9

Total Capital Bids in Environment & Waste	0	425,100	0	0	0
Total Capital Bids	0	425,100	0	0	0
Report Total	0	425,100	0	0	0