



# Medium Term Financial Plan Budget

## Climate Change & Environment Portfolio

Budget Scrutiny



# Agenda

- Overview of the Portfolio
- Portfolio Priorities
- Revenue Budget 2021/22
- Revenue Forecast Quarter 2 2021/22 and Revenue Budget – Savings since April 2020
- Revenue – Proposed Changes
- Proposed Revenue Budget 2022/23 – 2024/2025
- Challenges, Risks & Opportunities
- Top 5 Contracts
- Fees & Charges
- Capital Forecast Quarter 2 2021/22 and Current Proposed Capital Programme 2022/23 – 2025/26
- Questions
- Appendix 1 – Detailed Breakdown of Revenue Budget

# Overview of the Portfolio

Cabinet Members: Cllr Peter Strachan and Cllr Jilly Jordan (Deputy - Environment)

The Climate Change & Environment portfolio is aligned to the:

- Communities Directorate (Richard Barker - Corporate Director Communities), specifically Neighbourhood Services (Waste Strategy & Management) (Martin Dickman – Service Director) and
- PGS Directorate (Ian Thompson – Corporate Director PGS), specifically Environment (Climate Change & Environment) (Steve Bambrick – Service Director)

The portfolio helps to deliver all of the Corporate priorities and is principally responsible for:

- Waste Strategy & Management
- Climate Change & Environment

# Overview of the Portfolio

## Climate Change & Environment

The Climate Change & Environment service have produced a draft Climate Change Strategy which sets out 60 different actions the Council can take to become carbon neutral by 2050. The strategy will work at a local level to tackle environmental damage and improve air quality across the Buckinghamshire Council area. The strategy will have a cross-cutting impact on all Council services. The service is also developing a programme to plant over 500k trees on council-owned land over the next 10 years.

Over the past year, the Council has participated in a pilot scheme for developing Local Nature Recovery Strategies - one of five local authorities to do so nationally. The strategies are designed to map, plan and help drive a more coordinated, practical and focussed action and investment to help nature thrive.

The Strategic Flood Management function has a £6.1m capital programme to deliver over the next two years including key projects at Pednornmead End and in Marlow. Following the flood events in 2020, the service are undertaking a number of section 19 flood investigations. The team have also been successful in securing funding for a the GRACE (Groundwater Resilience & Community Engagements) project which will seek to prevent and alleviate groundwater flooding incidents using innovative monitoring techniques. The team will work collaboratively partners to deliver the projects over the next 6 years.

This service also includes environmental specialisms such as ecologists, archaeologists, heritage and urban design specialists all of whom support the protection and enhancement of the integrity of the natural and historic landscape in Buckinghamshire.

# Overview of the Portfolio

## Waste strategy and management

Buckinghamshire Council, as the Waste Collection Authority, has a statutory duty to collect household waste from the kerbside of residential properties. The service also includes all wheelie bin collections, bulky and clinical waste collections, street cleansing, grounds maintenance and the commercial collection services. The waste collection service and street scene services are delivered in-house in the north of the County, and are delivered under contract in the south of the County.

The service covers the management and disposal of waste. This includes through the Council's nine Household Recycling Centres (HRCs) and through the Energy from Waste facility at Greatmoor. The facility was built to generate electricity from the non-recyclable waste produced by Buckinghamshire homes and is on course to save taxpayers more than £150m over 30 years.

Tender and mobilisation of a new contract for management of HRC's will be delivered by March 2022, and that new contract will consider needs for the future.

An important function of the team is to encourage residents to reduce and reuse, as well as recycle. Initiatives supported include the Real Nappy Library and Community Fridges (as well as others) which help to reduce waste and save residents money.

The service continues to support the SCRAP fly-tipping campaign, and enforces against fly-tipping. On average, more than one fly-tipper is caught and convicted every week in Buckinghamshire.

# Overview of the Portfolio



## Household Recycling Centres



## Energy from Waste



## Fly-tipping enforcement



## Waste Promotions & Education



# Portfolio Priorities

- Net carbon zero by 2050 and potentially earlier by:
  - Delivery the key actions set out in the Council's Climate Change & Air Quality Strategy
  - Moving towards electric vehicles for Council use
  - Seeking opportunities to generate solar energy by putting photovoltaic electric generation on Council land
- Significantly progressing Council's ambition to plant over 500,000 trees and creating a new woodland in North Buckinghamshire
- Producing a Tree Strategy for Buckinghamshire
- Continued delivery of recycling initiatives and increasing recycling and energy recovery rates in Buckinghamshire
- Double the number of electric vehicle charging points in Buckinghamshire – *also links to Communities*
- Increased recycling and energy recovery rates
- Continue 'zero-tolerance' policy towards fly-tipping
- Introduce a new fleet of cleaner, greener waste collection vehicles across much of the county and trialling new electric vehicles where possible
- Continuing to take action on flood prevention through delivery of key capital schemes and progressing the GRACE programme
- Discouraging anti-social idling by cars
- Successfully implement a two-yearly Design Awards scheme and undertake a programme of Conservation Area Appraisal work
- Establish a fully-functioning biodiversity net gain scheme
- To progress the Waste Strategy Review

# Climate Change Strategy - £5m Investment pot

A £5m pot has been set aside to invest in priority projects, to deliver the Council's Climate Change Strategy. Allocations made to date are listed below:

Scheme	£Investment	Objective
Tree Planting	£ 3,290,000	Undertaking a programme of large-scale tree planting, which will absorb carbon and help us to achieve net-zero carbon emissions whilst also providing other environmental benefits such as supporting biodiversity and reducing flood risk.
Fleet - emissions reduction	£ 600,000	Reducing emissions from our fleet including by moving toward electric vehicle equivalents
Solar Car Ports	£ 340,000	Installing solar car ports at suitable car park locations, to produce renewable energy
Invest to Save recycling fund - for Street Lighting & Building improvements.	£ 350,000	Energy efficiency improvements for our buildings and more renewable generation. This is will include improving the efficiency of lighting by upgrading to LED systems, improving the efficiency of heating systems and installing further solar photovoltaic (PV) systems on suitable buildings. Continuation of the street lighting upgrades to highly efficient LED equivalents, which can reduce energy consumption by over 70%
<b>Total allocated for investment</b>	<b>£ 4,580,000</b>	

This investment will also leverage in grant funding of around £2.85m. The remaining £420k of the investment pot will be allocated as future projects come forward.

*For more details on the Council's Climate Change Strategy, follow the link to the recent Cabinet Paper:*

<https://buckinghamshire.moderngov.co.uk/documents/s33624/Report%20for%20Climate%20Change%20and%20Air%20Quality%20Strategy.pdf>



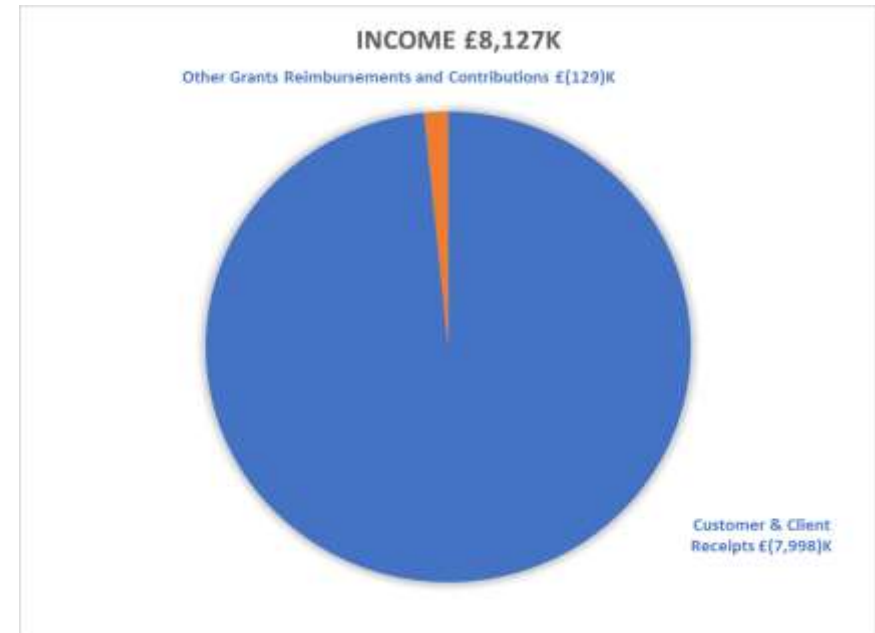
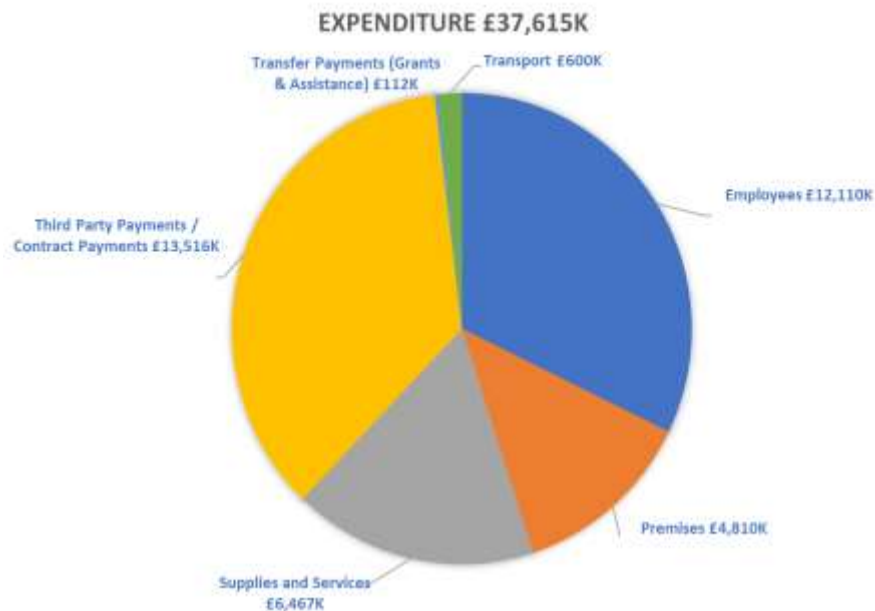
# Key Elements of Portfolio Revenue & Capital Budgets

Slides 10 – 20 provide further information about the Portfolio's 2021/22 controllable Expenditure budget (Employees, Supplies & Services), Income and Capital Programme.

Key Elements of the Portfolio Revenue Budget				
Revenue Expenditure	£'000	% of Total	Slide No.	Comments
Third Party Payments/ Contract Payments	13,516	36%	10	Mainly waste contract payments £13,47m (99.6%) of total contract payments. Relates to Southern Waste.
Employees	12,110	32%		Direct costs of Employees is 99% of Employees budget
Supplies & Services	6,467	17%		Mainly within Household Waste Recycling Centres and Waste Disposal.
Revenue Income	£'000	% of Total	Slide No.	Comments
Customer & Client Receipts	7,998	98%	10	
Capital 2021/22 programme	£'000	% of Total	Slide No.	Comments
Flood Management	7,109	29%		
Waste	17,560	71%		
<b>Total</b>	<b>24,669</b>	<b>100%</b>		

# Revenue Budget 2021-22

The charts and tables below show the current revenue budget for the portfolio, split into different service areas, income and expenditure. For a more detailed breakdown, see Appendix 1 on slide 22.



2021-22					
		Income £000		Expense £000	
Environment	Energy & Resources	(260)		650	390
	Natural Environment	(94)		1,014	920
<b>Environment Total</b>		<b>(354)</b>		<b>1,664</b>	<b>1,310</b>
Flood Management	Flood Management	(38)		651	613
<b>Flood Management Total</b>		<b>(38)</b>		<b>651</b>	<b>613</b>
Street Cleaning & Safety	Street Cleaning & Safety	(422)		2,837	2,415
<b>Street Cleaning &amp; Safety Total</b>		<b>(422)</b>		<b>2,837</b>	<b>2,415</b>
Waste	Waste	(7,313)		32,463	25,149
<b>Waste Total</b>		<b>(7,313)</b>		<b>32,463</b>	<b>25,149</b>
<b>Grand Total</b>		<b>(8,127)</b>		<b>37,615</b>	<b>29,487</b>

# Revenue Forecast Quarter 2 2021/22

	Budget	Y/E Outturn	Variance	Change in Variance
	£000	£000	£000	£000
Expenditure	37,700	37,600	(100)	(2,300)
Income	(8,200)	(8,900)	(700)	1,700
Climate Change & Environment	29,500	28,700	(800)	(600)

**Budget £29.5m, Forecast £28.7m, Var -£0.8m**

- **Dog Control – Budget £0.1m – No Variance**
- **EFW & Residual Waste - Budget £0.8m, Var Favourable £0.2m** Underspend in contract costs due to rates and gate fees at EfW and North Landfill gate fees.
- **Grounds Maintenance – Budget £0.8m, No Variance**
- **Household Recycling Centres - Budget £2.1m, Var Adverse £0.2m** Adverse movement relates to loss of budgeted income for household disposal charges, recharge to Slough Borough Council and trade charges offset by underspend due to reduced waste stream costs.
- **Waste Collection - Budget £18m, Favourable Var £0.5m** Absorption of on-going Covid impact on businesses offset by reduction in contractor costs from Southern Waste contract transfer Sept 21.
- **Street Cleansing – Budget £1.5m Favourable Var £0.04m** Reduction in grounds maintenance expenditure costs relating to amenity areas, Parishes and Town Council grounds.
- **Waste Disposal – Budget £2.5m, Favourable Var £0.1m** Underspend in contract costs in Green Food Bulky Wood (GFBW) contract and in other hazardous waste contracts.
- **Waste Strategy & Management – Budget £1.8m, Favourable Var £0.4m** Increased dry recyclables income from the Southern Waste Contract. Savings on legacy recycling budgets offset by an increase in agency staff costs.
- **Energy, Arboriculture & Natural Environment - Budget £1.3m, No Variance**
- **Flood Management – Budget £511k, No Variance**

\* Note: the net 2021/22 Revenue Budget reported for Quarter 2 monitoring is higher than the MTFP base budget on slide 9 due to the inclusion of various one-off budgets changes.

# Revenue Budget: Savings since April 2020

The 21-22 budget set out in the previous slide incorporate the following savings which have been made since the Unitary vesting day in April 2020:

CCE	Actions and Savings in 2020/21 to 2021/22	2020/21 £'000	2021/22 £'000
	<b>Contract Harmonisation</b>		
	Environmental Health Services - Dog Waste Contract		-65
	<b>Better Buckinghamshire</b>		
	Neighbourhood Services:		
	Garden waste increased income		-300
	Service Improvements - Southern Waste Contract		-20
	Grounds Maintenance Wycombe		-18
	Bulky Waste charging		-190
	Bringing servicing of waste and recycling fleet in-house & Taxi MOT		-10
			<b>-538</b>
	Horticulture Contract brought in house	-400	
	New Green Waste Contract	-25	
		<b>-425</b>	
<b>TOTAL SAVINGS MADE</b>		<b>-425</b>	<b>-603</b>

# Revenue – Proposed Changes

The table below details the proposed budget changes – split into increased income, growth areas, and savings proposals. All changes are cumulative, to be compared to the 2021-22 base budget.

Climate Change & Environment			Change 2022-23 £000's	Change 2023-24 £000's	Change 2024-25 £000's
	Change Type	Description of Change			
<b>Environment</b>					
Natural Environment	Change in Grant funded expenditure	Tree Planting	150	200	450
	Change in Grant Income	Tree Planting - Grant income	(63)	(84)	(188)
	Growth	Flood Team - additional budget for staffing	90	90	90
	Savings	Efficiency Savings in Environment budgets	-	-	(100)
	Special Items	Tree Planting - use of Climate Change reserve	(87)	(116)	(262)
<b>Street Cleaning</b>					
Street Cleaning	Growth	Member priority street cleaning	400	400	400
		Salary pressures and contract inflation	244	244	244
	Savings	Grounds Maintenance contract changes	(15)	(23)	(23)
<b>Waste</b>					
Waste	Change in Income	Dry Recyclates income South	(100)	(100)	(100)
		EfW waste income generation	(800)	(800)	(800)
		North Waste income changes (including bulky waste)	(170)	(170)	(170)
		Wycombe Garden Waste Charges	(750)	(1,000)	(1,100)
	Growth	Additional costs (contract inflation, housing and tonnage growth) - for Strategic Waste budgets	939	1,491	1,973
		Improved HRC Provision in Princes Risborough area	360	270	280
		Increase HRC contracts	400	425	450
	Savings	Changes from Southern Waste contract supplier change	(837)	(837)	(897)
		Contract Harmonisation - Dog waste collection	(130)	(130)	(130)
		Dry Recyclates contract North	(100)	(100)	(100)
	Special Items	Home Working	14	14	14
		Increased cost of removal of unauthorised encampments & Fly-Tipping enforcement. Also funding for the development of an Unauthorised Encampment Strategy	(100)	(100)	(100)

# Proposed Revenue Budget 2022/23 – 2024/25

The table below shows what the Revenue budget will be after the proposed budget changes.

Changes Summary	2022-23 £000	2023-24 £000	2024-25 £000
Change in Income	(1,820)	(2,070)	(2,170)
Change in Grant Income	(63)	(84)	(188)
Change in Grant funded expenditure	150	200	450
Growth	2,433	2,920	3,437
Savings	(1,096)	(1,117)	(1,291)
Special Items	(253)	(729)	(975)
<b>Grand Total</b>	<b>(649)</b>	<b>(880)</b>	<b>(737)</b>

## Climate Change & Environment

		2021-22			2022-23			2023-24	2024-25
		Income £000	Expense £000	Net Budget	Income £000	Expense £000	Net Budget	Net Budget	Net Budget
Environment	Energy & Resources	(260)	650	390	(260)	650	390	390	390
	Natural Environment	(132)	1,637	1,505	(195)	1,710	1,515	1,068	868
<b>Environment Total</b>		<b>(392)</b>	<b>2,287</b>	<b>1,895</b>	<b>(455)</b>	<b>2,360</b>	<b>1,905</b>	<b>1,458</b>	<b>1,258</b>
Street Cleaning	Street Cleaning	(422)	2,837	2,415	(422)	3,466	3,044	3,036	3,036
	<b>Street Cleaning Total</b>	<b>(422)</b>	<b>2,837</b>	<b>2,415</b>	<b>(422)</b>	<b>3,466</b>	<b>3,044</b>	<b>3,036</b>	<b>3,036</b>
Waste	Waste	(7,313)	32,398	25,084	(9,036)	32,832	23,796	24,020	24,363
	<b>Waste Total</b>	<b>(7,313)</b>	<b>32,398</b>	<b>25,084</b>	<b>(9,036)</b>	<b>32,832</b>	<b>23,796</b>	<b>24,020</b>	<b>24,363</b>
<b>Grand Total</b>		<b>(8,127)</b>	<b>37,522</b>	<b>29,394</b>	<b>(9,913)</b>	<b>38,658</b>	<b>28,745</b>	<b>28,515</b>	<b>28,658</b>

# Challenges, Risks and Opportunities

## Risks

- Challenges - responding to any potential future changes in government policy on Climate Change, and adapting our strategy and capacity.
- Flooding - additional, dedicated technical skills and capacity are needed to improve resilience of the team and improve response of the Council to major flooding incidents.
- Continued impact of Covid on Income, additional costs and service delivery for waste commercial collections (trade waste), street cleansing, Household Recycling Centres and waste transfer stations.
- Volatility in market pricing for waste stream materials / textiles.
- Influence over local/ national climate change agenda.
- HGV drivers shortage and impact on Waste service delivery.
- Supply chain issues e.g. recent fuel supply challenges.

# Challenges, Risks and Opportunities (contd.)

## Opportunities

- The Fees and Charges schedule will be reviewed over the Summer along with a benchmark exercise against other LAs, to review whether there are any new or increased income opportunities including further harmonisation, where appropriate. This may yield a small amount of additional income.
- External Funding opportunities on Climate Change and Environment Projects.

## Cross-portfolio impact

- Climate Change is a cross-Council endeavour which has serious investment and financial implications for the Council as a whole. Collaboration across Council is key for successful outcomes and the budget, spend and benefits for Climate Change will also be spread across various portfolios including, for example, Transport where electric charging vehicles and charging points are introduced.
- Activities aligned with addressing climate change – Support and coordination across portfolios; tree planting support and programme delivery; energy efficiency advice and project delivery; upcoming trials for electric refuse collection vehicles (RCV), bid for electric RCV funding; waste minimisation and recycling support; EfW avoids landfill methane emissions; High Heavens Waste Transfer Station saves over 130,000 delivery miles of waste transport; separation of food and green waste diverts waste from landfill / EfW.



# Top 5 Contracts

Vendor	Description (inc. Contract End Date)
Veolia Environmental Services	Joint waste, recycling and cleansing contract; stabilisation of Serco contract takeover in progress and Biffa contract to be taken over in November 2021; end date Sept 2030 (5 year break clause within this 10 year contract); 10 year extension length (10 +10).
N Power	Electricity Provider majority of Council assets, including Corporate Estate, Street Lighting. Harmonisation across legacy contracts nearly complete. Budgets largely held in other Portfolios (e.g. Property); Energy team manage the contract and monitor usage, drive efficiencies, etc. Re-tender due Sept 2022.
Total Gas	Gas provider for majority of Council Assets. Harmonisation across legacy contracts nearly complete. Re-tender due Sept 2024.
FCC Recycling	Integrated household waste recycling centre; end date March 2022; extension option used with extension length 3 years (1+1+1).
FCC Recycling	Green, Food and Bulky Waste contract; end date Jan 2026; extension length is 5 years with option of individual period(s) of no shorter than 1 year.

# Fees and Charges

Each year, as part of the MTFP, we review the schedule of Fees and Charges.

The majority of Fees & Charges are only amended by an RPI increase (currently at 3%).

The Fees and Charges schedule for Climate Change & Environment team (Environmental Specialist Service fees, for e.g. Ecology screening visits, Archaeology monitoring visits and other environmental specialist advice) has been reviewed in detail as part of the Service Review. This will include full absorption costing check (does the fee we charge cover the cost to deliver the service?) and benchmarking against other LAs (do we charge a fair, competitive rate?). If any changes are recommended from this review, they will be implemented via a separate key decision in the Spring.

The Fees and Charges schedule for Waste Strategy & Management service has been prepared with most fees and charges increasing by 3%, except where there's a need for a decision to be made e.g. for Green and Bulky Waste. Trade waste fees are charged for in the North (AV) but not yet in the South – this is under review (including pricing for all).

# Capital Forecast Quarter 2 2021/22

Cabinet Portfolio	Actuals to Date £000	Total Budget £000's	Forecast Outturn £000's	Forecast Variance £000's	% Slippage	RAG Rating
Climate Change & Environment	465	8,071	5,966	-2,106	26.1%	Amber

**Budget £8.1m, Forecast £6.0m, Var £- 2.1m**

- Waste - Biowaste project slippage of £2.4m due to delay in construction start date – build to commence Nov 21 - includes landscaping and retention costs. Household Recycling Centres upgrades and Pembroke Rd Depot facilities slippage of £0.7m – issues with sourcing contractors for the refurbishment of kitchens and toilets and unavailability of materials in stock. Offset with accelerated spend of £1.3m regarding container purchase and vehicle replacement.
- Flood defence schemes reporting slippage of £330k due to delays in installing culverts.

*\*Note: any unspent capital project budgets in 21/22 ( 'slippage') will be reprofiled into future years as part of the annual year end process, and approved via the Corporate Capital Investment Board.*

# Current Proposed Capital Programme 2022/23 to 2025/26

Service Area	Project Group / Project	2022/23 £000's	2023/24 £000's	2024/25 £000's	2025/26 £000's	MTFP Total £000's
Neighbourhood Services	Waste					
	Aylesbury Waste Vehicles Replacement	4,716	2,400	1,700	0	8,816
	Buckingham HRC & Waste Transfer St	275	1,275	250	4,600	6,400
	Recycling Centres Drainage EA Compliance	700	420	0	0	1,120
	Recycling Centres Vehicles & Plant	360	0	2,106	0	2,466
	Recycling Initiatives & Waste Containers	205	150	150	150	655
	Replacement Bulk Shredder	0	551	0	0	551
	Southern Waste Contract - Vehicles	4,034	0	0	0	4,034
	<b>Waste Total</b>	<b>10,290</b>	<b>4,796</b>	<b>4,206</b>	<b>4,750</b>	<b>24,042</b>
<b>Neighbourhood Services Total</b>		<b>10,290</b>	<b>4,796</b>	<b>4,206</b>	<b>4,750</b>	<b>24,042</b>
Planning and Environment	Climate Change & Air Quality					
	Solar Car Port and Fleet	2,790	0	0	0	2,790
	<b>Climate Change &amp; Air Quality Total</b>	<b>2,790</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,790</b>
	Flood Management					
	Flood Defence Schemes	4,935	0	0	0	4,935
	Strategic Flood Management	50	50	50	50	200
	<b>Flood Management Total</b>	<b>4,985</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>5,135</b>
<b>Planning and Environment Total</b>		<b>7,775</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>7,925</b>
<b>Total Expenditure</b>		<b>18,065</b>	<b>4,846</b>	<b>4,256</b>	<b>4,800</b>	<b>31,967</b>



# Questions



# Appendix 1: Detailed Breakdown of Revenue Budget

The table below shows the breakdown of the 2021-22 baseline Revenue budget into types of expenditure and income.

Climate Change & Environment Portfolio £k	Expenditure							Income			Net Total
	Employees	Premises	Supplies and Services	Third Party Payments / Contract Payments	Transfer Payments (Grants & Assistance)	Transport	Expense Total	Customer & Client Receipts	Other Grants Reimbursements and Contributions	Income Total	
<b>Neighbourhood Services</b>	<b>10,226</b>	<b>4,648</b>	<b>6,209</b>	<b>13,516</b>	<b>112</b>	<b>588</b>	<b>35,299</b>	<b>(7,636)</b>	<b>(99)</b>	<b>(7,735)</b>	<b>27,564</b>
CCTV		-					-			-	-
Dog Control		55	207				262	(133)		(133)	129
EFW & Residual Waste		1,241	494				1,735	(988)		(988)	747
Grounds Maintenance	117	1,124	(378)	33	112	0	1,009	(123)	(92)	(215)	795
Gypsy & Travellers	-	-	-				-			-	-
Household Waste Recycling Centres		23	3,165			2	3,189	(1,092)		(1,092)	2,097
Street Cleansing	1,704	170	(392)	3		80	1,565	(74)		(74)	1,491
Waste Collection	6,009	2,001	(23)	13,480		467	21,934	(3,943)	(7)	(3,950)	17,985
Waste Disposal	-	31	2,505	-			2,536	(38)		(38)	2,498
Waste Strategy & Management	2,396	4	630	-		39	3,068	(1,247)		(1,247)	1,821
<b>Planning &amp; Environment</b>	<b>1,884</b>	<b>161</b>	<b>258</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>2,315</b>	<b>(362)</b>	<b>(30)</b>	<b>(392)</b>	<b>1,923</b>
Energy & Resources	469	124	56			1	650	(260)		(260)	390
Environmental Specialists	12	8	17			6	43		-	-	43
Flood Management	611		37			4	651	(38)	-	(38)	613
Natural Environment	791	29	148		-	2	971	(64)	(30)	(94)	877
<b>Grand Total</b>	<b>12,110</b>	<b>4,810</b>	<b>6,467</b>	<b>13,516</b>	<b>112</b>	<b>600</b>	<b>37,615</b>	<b>(7,998)</b>	<b>(129)</b>	<b>(8,127)</b>	<b>29,487</b>