



SHEFFIELD CITY COUNCIL

Individual Cabinet Member Report

Report of: Simon Green, Executive Director Place

Report to: Cllr Terry Fox, Cabinet Member for Environment and Transport

Date: 3rd September 2015

Subject: Reducing Annual Spend through Veolia on Communications

Author of Report: Gillian Charters, Head of Waste Management
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Key Decision: YES ~~NO~~

Reason Key Decision: Affects 2 or more wards

Summary:

All aspects of household waste services, including customer support and communications are provided by Veolia on behalf of the Council as part of a thirty-five year integrated waste management contract to 2036. This report recommends a reduction in spend through Veolia for communications on waste awareness issues including the mobile information unit.

Reasons for Recommendations:

The proposed policy changes will contribute cost savings towards achieving the 15% waste management budget reduction by 2020.

As detailed in the financial implications section the final costs of change cannot be

confirmed until the policy is implemented therefore delegation is sought for the Executive Director to approve these costs.

Recommendations:

It is recommended that the Cabinet Member for Environment and Transport receives the report and approves the reduction in spend through Veolia for communication and ending the provision of a mobile information unit and dedicated education support sessions.

In order to facilitate implementation of the change it is recommended that the Cabinet Member for Environment & Transport delegates authority to the Executive Director for Place in consultation with the Executive Director for Resources to approve the final costs of change.

Background Papers:

Category of Report: OPEN

Statutory and Council Policy Checklist

Financial Implications
YES / NO Cleared by: Kim Grant
Legal Implications
YES / NO Cleared by: Sarah Bennett
Equality of Opportunity Implications
YES / NO Cleared by: Annemarie Johnston
Tackling Health Inequalities Implications
YES / NO Cleared by:
Human Rights Implications
YES / NO Cleared by:
Environmental and Sustainability implications
YES / NO Cleared by:
Economic Impact
YES / NO Cleared by:
Community Safety Implications
YES / NO Cleared by:
Human Resources Implications
YES / NO Cleared by:
Property Implications
YES / NO Cleared by:
Area(s) Affected
ALL
Relevant Cabinet Portfolio Lead
Cllr Terry Fox, Cabinet Member for Environment and Transport
Relevant Scrutiny Committee
Economic and Environmental Wellbeing Scrutiny and Policy Development Committee
Is the item a matter which is reserved for approval by the City Council?
YES/ NO
Press Release
YES / NO

REPORT TO THE CABINET MEMBER FOR ENVIRONMENT AND TRANSPORT

REDUCING ANNUAL SPEND THROUGH VEOLIA ON COMMUNICATIONS

1. SUMMARY

- 1.1 All aspects of household waste services, including customer support and communications are provided by Veolia on behalf of the Council as part of a thirty-five year integrated waste management contract to 2036. This report recommends a reduction in spend through Veolia for communications on waste awareness issues including the mobile information unit.

2. WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

- 2.1 The proposed reduction in communication spend means Veolia will no longer have a mobile information unit to support attendance at community events. Veolia will continue to provide service information (such as the collection calendar which details what day/ week the black bin and blue bin and blue box are collected). Veolia will continue to attend local meetings to discuss service issues but the resource to support education sessions will also end.
- 2.2 The Council evaluates the impact of policy changes and new policies and a detailed assessment has been undertaken for the proposed policy change. Impacts are noted in the report including within the Environmental Implications and the Equality of Opportunity Implications sections below.

3. OUTCOME AND SUSTAINABILITY

- 3.1 The Council's 2015/16 Budget Revenue Report identifies the need for the Council to make over £60m of savings to balance the budget. This is in the context of needing to achieve savings of nearly £80m by 2019/20.
- 3.2 The Council is seeking to realise savings of up to 15% on the waste contract over three years to contribute to the overall budget savings needed. This includes over £1m of saving for waste in 2015/16. The proposed reduction in communication spend through Veolia in this report contributes to delivering an annual saving in the waste contract costs without impacting the frequency of waste collections.

4. Reducing Communications Spend

4.1 Proposed Changes

- 4.1.1 Currently, Veolia are required through the integrated waste management contract to provide a range of communication materials and support to promote awareness of waste services across the city. This delivery has included a mobile information unit which is deployed at community events and education sessions which we are now proposing to cease to fund.
- 4.1.2 Veolia will continue to provide direct information to households about waste services including the collection calendar which details the collection day/ week for scheduled black bin general waste and blue bin and blue box recycling collections.

- 4.1.3 Veolia will also continue to provide resources to support awareness of waste issues such as general information leaflets and continue to attend local meetings about any service issues.
- 4.1.4 The delivery of educational sessions will end through this proposal. However, there are other resources available developed by national organisations such as Waste Watch, Waste Busters, Eco Schools and Keep Britain Tidy which are readily accessible to schools, groups and individuals and are free to use.

4.2 **Environmental Implications**

- 4.2.1 Key messages about how to access and use the waste and recycling services will continue to be provided by Veolia and will be unaffected by this change. There is no evidence to suggest that the reduction in education support will reduce the amount of waste customers segregate for recycling.

4.3 **Equality of Opportunity Implications**

- 4.3.1 The Council has evaluated the equalities impact of this proposed policy change through completing an Equalities Impact Assessment (reference: 363).
- 4.3.2 The ceasing of funding of a mobile information unit which is deployed at community events and education sessions in schools may reduce the ways people can be made aware of waste services across the city which then may impact on how people dispose of their waste. However this is mitigated, as identified in 4.1.2 to 4.1.4, through resources available for schools, groups and individuals to access free of charge on the internet. Also Veolia will continue to provide direct information to households, provide resources to support awareness of waste issues such as general information leaflets and continue to attend local meetings about any service issues. No comments were received from the consultation in relation to the reduced communication spend proposal.
- 4.3.4 Overall there are no significant differential equalities implications due to the implementation of this proposal.

4.4 **Consultation Responses**

- 4.4.1 The Council has a duty to act fairly, which can include a duty to consult on proposed changes to policy and/or practice. A consultation process was open for just over four weeks across a range of policy/ service options to reduce the cost of waste services. The consultation was advertised through the local media and attracted first page coverage by The Star (Sheffield). A total of 1337 responses were received, the vast majority being submitted via the Council's website.
- 4.4.2 A breakdown of responses per question by age and other demographics is not available. The table below summaries the data for total responses:

Table 1: Data for Respondents to Consultation:

Age Group	Percent of Respondents	Gender	Percent of Respondents
Under 16	0.01	Female	54
16-25	1.09	Male	45
26-39	26	Other	1
40-64	47		
65-79	23		
Over 80	2		

Accessibility Questions:	Percent of Respondents	
	Yes	No
Do you have access to a car	85	15
Do you or anyone living in your household consider themselves as having a disability	20	80

The average number of occupants in households was 2.69 and 92% of respondents classed themselves as White:

4.4.3 English/Welsh/Scottish/British/Northern Irish. Other respondents indicated their ethnicity as being either:

- White: Irish, Other European, or Other background;
- Mixed / Dual heritage: White and Black Caribbean, White and Black African, White and Asian, Other mixed background; or
- Asian or Asian British: Indian, Pakistani.

4.4.4 No comments in relation to the reduced communication spend proposal were received.

4.5 **Legal Implications**

4.5.1 There is no legal duty on the Council to provide waste/recycling education. This proposed change represents a minor variation in the context of the overall integrated waste management contract and, if pursued, will be achieved through the change process provided for within the contract.

4.6. **Commercial Implications**

4.6.1 The proposed policy changes require amendments to be made to the Integrated Waste Management Contract with Veolia. The potential policy changes have been scoped out by the Council and Veolia have provided estimates for the impacts of the changes. The financial implications are detailed in the section below. The final negotiation to secure the commercial position can only be achieved if the policies are approved through this report.

4.7 **Financial Implications**

4.7.1 The financial implications of the proposed policy changes are estimated to deliver an annual saving of around £34,502. This includes around £14,500 a year costs for the mobile information unit and a saving of salary costs for the part time post of education assistant.

- 4.7.2 There is a one off cost of around £18,000 for this year to end the lease of the mobile information unit, (the final amount to be confirmed at time of termination). The unit will transfer to the Council and will either be re-deployed or sold through auction. The Council's transport service will manage this and have confirmed the residual value of the unit is higher than the lease termination payment.
- 4.7.3

As the education assistant has already moved on from Veolia there are no redundancy costs.

5. ALTERNATIVE OPTIONS CONSIDERED

- 5.1 Given the scale of savings needed for the council to achieve a balanced budget do nothing is not an option. The Council is continuing to work with Veolia to realise efficiencies within the waste contract which do not impact the delivery of front line services.

6. REASONS FOR RECOMMENDATIONS

- 6.1 The proposed policy changes will contribute cost savings towards achieving the 15% waste management budget reduction by 2020.
- 6.2 As detailed in the financial implications section the final costs of change cannot be confirmed until the policy is implemented therefore delegation is sought for the Executive Director to approve these costs.

7. RECOMMENDATIONS

- 7.1 It is recommended that the Cabinet Member for Environment and Transport receives the report and approves the reduction in spend through Veolia for communication and ending the provision of a mobile information unit and dedicated education support sessions.
- 7.2 In order to facilitate implementation of the change it is recommended that the Cabinet Member for Environment & Transport delegates authority to the Executive Director for Place in consultation with the Executive Director for Resources to approve the final costs of change.

Gillian Charters
Head of Waste Management
August 2015