

NORTH LONDON WASTE AUTHORITY

REPORT TITLE: 2020/21 FINANCIAL OUTTURN AND 2021/22 UPDATE

REPORT OF: THE FINANCIAL ADVISER

FOR SUBMISSION TO: AUTHORITY MEETING

DATE: 24 JUNE 2021

SUMMARY OF REPORT:

This report provides details of expenditure and income for 2020/21 and briefly comments on the current financial position for 2021/22. In addition, the report considers the impacts on balances held on the behalf of boroughs that will be returned in future levies and the balances owed to boroughs for chargeable waste and non-household waste which will be returned once the audit of the financial statements is completed.

RECOMMENDATIONS:

The Authority is recommended to:

- A. Note the 2020/21 outturn (subject to audit);
- B. Note the over and under payments by boroughs in respect of non-household and chargeable household waste in 2020/21 and the arrangements for repayment to and collection from the boroughs;
- C. Note the 2021/22 update and that a further report will be submitted to the Authority in October; and
- D. Note that an update on the budget and resource requirements for 2022/23 and future years will be reported to the Authority in future budget reviews.

SIGNED: Jon Rowney, Financial Adviser

DATE: 14 June 2021

1. INTRODUCTION

- 1.1. At its meeting on 11 February 2021 the Authority was provided with an up-to-date assessment of its financial position. This included a forecast of the 2020/21 outturn and provided guidance on the level of surplus resources available to assist with the funding of the 2021/22 budget.
- 1.2. The accounts for 2020/21 are now closed and therefore the main purpose of this report is to provide details of the 2020/21 outturn (subject to audit). This paper also provides details of the 2021/22 forecast outturn and briefly comments on the outlook for future years.

2. 2020/21 OUTTURN

- 2.1. At its meeting on 13 February 2020, the Authority agreed an original budget of £71.789m to be financed by estimated revenue balances of £5.540m, charges to boroughs for non-household and chargeable household waste of £9.105m and £1.915m respectively and a levy of £55.229m.
- 2.2. At subsequent meetings, Members have been updated on the financial standing of the Authority. In February 2021 Members were advised that it would be reasonable to assume that forecast revenue balances of £4.156m at 31 March 2021 could be considered when determining the Authority budget and levy requirements for 2021/22.
- 2.3. The actual revenue surplus for the year ended 31 March 2021 increased by £3.887m compared to the February forecast giving a total balance carried forward of £8.043m
- 2.4. Comparison of the revised budget and final outturn is shown in the table on the following page and a commentary on the most significant changes and issues arising are set out in the following paragraphs:

2020/21 Outturn Compared to the February Update

	2020/21 Original Budget £'000	2020/21 February Update £'000	2020/21 Year End Outturn £'000	Variance £'000
Expenditure				
Main Waste Disposal Contract (ex RRC Waste)	38,766	39,139	37,846	(1,293)
Landfill Tax	1,438	1,444	1,442	(2)
Composting Services	1,707	1,790	1,810	20
MRF Services	10,012	9,559	9,968	409
Transfer Station and Other Sites	1,904	1,312	1,167	(145)
Corporate and Other Support Service Costs	2,994	2,472	2,294	(178)
Strategy and Services Team	601	639	592	(47)
Waste Prevention Programme	519	361	297	(64)
Recycling Communications	200	100	10	(90)
Recycling Initiatives	246	107	94	(13)
North London Heat & Power Project	1,414	787	477	(310)
Revenue Funding – Capital Programme	6,912	6,063	6,060	(3)
	66,713	63,773	62,057	(1,716)
Resuse and Recycling Centres				
Residual Waste	876	649	691	42
Landfill Tax	123	91	92	1
Operating Costs	3,750	3,303	3,212	(91)
	4,749	4,043	3,995	(48)
Total Expenditure	71,462	67,816	66,052	(1,764)
Income				
Rents	(121)	(121)	(120)	1
Sale of Recyclates	(2,291)	(2,720)	(2,887)	(167)
Other Income	0	0	(106)	(106)
Interest on Balances	(40)	(90)	(83)	7
	(2,452)	(2,931)	(3,196)	(265)
Net Expenditure	69,010	64,885	62,856	(2,029)
Contingency	2,779	2,280	0	(2,280)
Total Net Expenditure	71,789	67,165	62,856	(4,309)
Financed by:				
Use of Balances	(5,540)	(8,443)	(8,443)	0
Charges to Boroughs (non-household waste)	(9,105)	(6,416)	(6,026)	390
Charges to Boroughs (household waste)	(1,915)	(1,233)	(1,201)	32
Levy – Base Element	(50,345)	(50,345)	(50,345)	0
Levy - RRC Element	(4,884)	(4,884)	(4,884)	0
Total Levy	(55,229)	(55,229)	(55,229)	0
Total Resources Available	(71,789)	(71,321)	(70,899)	422
Estimated Revenue Balance at 31 March 2020	0	(4,156)	(8,043)	(3,887)

2.5. Residual Waste Disposal and Landfill Tax (-£1.295m)

- 2.5.1. In February, Members were advised that forecast residual tonnage, based on data for the period up to November 2020 and agreed with boroughs in December 2020 (prior to the second lockdown) indicated that the 2020/21 residual waste stream would be 570,047 tonnes i.e. 2.8% lower than in 2019/20. Residual waste delivered to the Authority in 2020/21 was 570,394 tonnes, i.e. 347 tonnes (0.06%) higher than the February forecast but 16,180 tonnes (2.76%) less than in 2019/20. Table 1 in the appendix sets out the tonnage delivered by each borough and their variances to February's budget update.
- 2.5.2. The tonnage of residual waste transported to the EcoPark from Hendon and Wembley increased in the final quarter. The cost of processing waste at the EcoPark is lower than if it is sent externally for third party treatment.
- 2.5.3. As a change in presentation to this report, £0.091m incurred for residual waste direct delivered from the Barrowell Green Reuse and Recycling Centre (RRC) in Enfield have been transferred from this heading into RRC costs.
- 2.5.4. The cost of material delivered by boroughs to the Authority's Material Recovery Facility (MRF) providers as mixed dry recyclable but subsequently rejected due to contamination is recorded under this heading. The MRF provider arranges for the subsequent disposal of this tonnage. Contamination rates have fallen over the last quarter of the year and 289 fewer tonnes were rejected for recycling than forecast, saving £0.078m.

2.6. Composting & Materials Recovery Facility (MRF) Services: (£0.429m)

- 2.6.1. The actual level of total compostable material sent to the Authority was 42,460 tonnes (542 tonne more than forecast). There was a minor variance of £0.020m due to changes in the proportions of food, green and mixed wastes delivered to the Authority, which are charged at different prices. Tables 2 to 4 detail the changes in tonnages by borough.
- 2.6.2. 121,970 tonnes of dry recyclable waste were delivered to the Authority's MRF providers. Only the tonnages accepted (117,728 tonnes) by the Authority's MRF providers are shown in table 5 of the appendix. This was 258 tonnes (0.22%) greater than the 117,470 advised by the boroughs in December 2020. It also represents a year-on-year growth in the waste stream of 7,143 tonnes (6.46%). The increase in tonnage has led to an increase in costs of £0.409m, which is partially offset by additional recycling income (see paragraph 2.11)
- 2.6.3. Table 5 in the appendix include the tonnages of dry mixed recyclable materials that were accepted at the MRF by borough in 2020/21 and the variances to February's fourth review.

2.7. Transfer Stations and Other Sites: (-£0.145m)

2.7.1. At the end of the 2019/20 financial year, the rent for April 2020-June 2020 relating to the Hendon waste transfer station was not treated as a prepayment, generating a saving in 2020/21. In addition, the costs incurred for maintenance at Hornsey street have been lower than anticipated.

2.8. Corporate and Other Support Service Costs: (- £0.178m)

2.8.1. This heading captures a wide range of services provided to the Authority by Camden and Haringey and a number of external providers. This includes Authority's staffing costs, with the exception of the Strategy and Services team. Non-recurring savings have arisen principally as a result of lower spend on external support and the continued closure of the Authority's offices.

2.9. Strategy & Services: (-£0.047m)

2.9.1. Plans to undertake a Non-household composition survey and a data gathering exercise to support the joint waste strategy have been transferred into 2021/22 and £0.030m has been transferred to support it.

2.10. North London Heat & Power Project: (-£0.310m)

2.10.1. The forecast for Community and stakeholder engagement was based on London not being in lockdown. In addition, non-NLHPP insurance costs have been identified and transferred out of this heading. Staffing vacancies and an increased level of staff capitalisation r have also resulted in lower operational spend.

2.11. Waste Prevention Initiatives (-£0.064m)

2.11.1. The lockdown between January and March meant that some planned waste prevention activities had to be delayed into 2021/22. To support this, £0.022m has been transferred between years.

2.12. Recycling Communications (-£0.090m)

2.12.1. Procurement of a partner for the recycling campaign has now been completed but the funding that was allocated in 2020/21 will be carried forward to 2021/22 to support the delivery of the scheme.

2.13. Reuse and Recycling Centres (RRCs): (- £0.048m)

2.13.1. The Authority manages seven RRCs on behalf of its constituent boroughs. Details of the costs incurred in 2020/21 and balances that will be reflected in the 2021/22 budget calculations are shown in Tables 8 and 9 of the appendix.

2.13.2. The cost of disposing of residual waste is higher than forecast due to the transfer of £0.091m of residual waste from Barrowell Green RRC which

has been transferred from the residual waste contract costs, as mentioned in paragraph 2.5.3.

- 2.13.3. This increase in costs has been more than offset by a reduction in Recycling waste tonnage delivered to the RRCs, and a small underspend on overheads, repairs and maintenance.

2.14. Income from the sale of Recyclates: (- £0.167m)

2.14.1. The fourth budget review was based on an average income per tonne for the final quarter of £26.99. Total tonnage sold by the authority's contractors was 115,461 i.e. 5,051 more than February forecast.

2.14.2. Under menu pricing, this income is used by the Authority to reduce the net cost per tonne of mixed dry recyclates to each borough.

2.15. Contingency: (- £2.280m)

2.15.1. At its February meeting, the Authority continued to adopt a prudent approach and decided to release a small part of the contingency in the 2020/21 forecast. The remainder was retained to accommodate any unforeseen additional costs in the closing months of the year. There was no call on the contingency.

2.16. Charges to Boroughs for Non-Household Waste: (+£0.390m)

2.16.1. At the budget meeting in February the Authority was provided with an up-to-date assessment of the estimated cost to boroughs of non-household waste in 2020/21.

2.16.2. The meeting was also reminded that the final charges would be calculated as part of the final accounts process and that this would be reported to the Authority in June 2021. Any under or over payment by boroughs would be collected from or repaid to boroughs after the Authority's accounts have been audited.

2.16.3. Overall, income for the year is lower than the 2020/21 revised budget but since boroughs make on-account payments to the Authority based on the original budget, adjusting refunds are required for all boroughs.

2.16.4. Compared with the February forecast of 67,416 tonnes of residual waste there has been a decrease of 2,004 tonnes to 65,412. The menu price-based calculations are sensitive to changes in the Authority's overall costs. The actual charge per tonne in 2020/21 was £81.84, a decrease of £3.68 compared with the February forecast of £85.52.

2.16.5. Additionally, the boroughs delivered 9,064 tonnes of mixed dry recyclable waste and 1,161 tonnes of biodegradable waste compared with the February forecast of 9,023, and 1,278 tonnes, respectively.

2.16.6. All boroughs except Enfield delivered recyclable non-household waste to the Authority for treatment at a cost of £69.41 for dry recyclable waste

(9,064 tonnes), £76.96 for mixed organic waste (305 tonnes) and £22.01 for food waste (801 tonnes), £48.51 for green waste (55 tonnes). The cost per tonne for dry recyclable waste is inclusive of sales income.

2.16.7. Table 6 in the appendix includes details of each borough's original, revised and actual costs of non-household waste.

2.17. Charges to Boroughs for Household Waste: (+£0.032m)

2.17.1. The outturn shows little change from the February update. The actual charge per tonne for residual waste of £81.84 is the same as for non-household waste.

2.17.2. Four boroughs (Camden, Hackney, Haringey and Islington) have also delivered recyclable chargeable household waste to the Authority for treatment. 2,184 tonnes of dry recyclable waste, 470 tonnes of mixed organic waste and 452 tonnes of food waste and 3 tonnes of green waste were delivered to the Authority. Costs per tonne are the same as non-household waste.

2.17.3. Details of the original, revised and actual costs of chargeable household waste are shown in table 7 of the appendix.

2.18. The RRC Levy Balances

2.18.1. The costs of running the RRCs, treating recyclable waste, disposal of residual waste, landfill tax and income from recycling are captured for each site and recharged to boroughs based on the 2018 visitor survey for each site. Table 8 in the appendix shows the recharge for each borough.

2.18.2. Table 9 in the appendix provides details of the RRC revenue balances position for each borough at 31 March 2021. The increase in balances of £0.171m will be considered when determining the 2022/23 levy.

2.19. The Base Levy Balances

2.19.1. The base levy is determined according to the tonnage delivered by each borough to the Authority. The levy is an estimated sum based on the budgeted tonnage and the estimated net cost of running the Authority. At the year-end, the actual levy costs were £46.082m, compared to the fourth review forecast of £49.798m, a reduction of £3.716m. Table 10 in the appendix shows the movement of these balances for each borough and the balance held that could be used to support the 2022/23 levy.

2.20. Total Levy Balances

2.20.1. The overall balance of £8.043m consists of a main levy balance owed to boroughs of £7.245m and an RRC balance owed to the Authority of £0.798m. The actual year-end balance position compared with the fourth review presented to the Authority in February is shown in Table 11 in the appendix.

2.20.2. The balances identified and reported as part of the fourth review were used to adjust each borough's 2021/22 levy. The increase in balances of £3.886m identified during the closure of the 2020/21 accounts will be held by the Authority and will be available to support the 2022/23 budget and levy.

2.21. Conclusion

2.21.1. The outturn shows that the Authority has a revenue surplus of £8.043m at 31 March 2021, i.e. an additional £3.887m compared with the February forecast of £4.156m.

3. CAPITAL BUDGET 2020/21

3.1. During 2020/21, the Authority spent £69.825m relating to the North London Heat and Power Project. This spend was primarily on project enabling works (such as the laydown area, and sewer diversion), construction of the Resource Recovery Facility and Energy Recovery Facility design costs.

3.2. At 1 April 2020, the Authority held usable capital receipts of £1.439m. No receipts of a capital nature were received in 2020/21 and none were used. Capital receipts can only be used to fund capital expenditure or to repay debt.

4. FINAL ACCOUNTS PREPARATION AND AUDIT

4.1. The 2020/21 outturn discussed in the preceding paragraphs forms the basis of the Authority's statutory statement of accounts. The Government has published the Accounts and Audit (Amendment) Regulations 2021, and the regulations have amended the date that all local government bodies to complete their draft annual accounts to the last day of July 2021, an extension of 2 months. The Financial Adviser is required to certify that the accounts present a true and fair view of the financial position of the Authority at the end of the year and of the Authority's income and expenditure for the year.

4.2. The draft statements have to be audited by Mazars and approved by the Audit Committee so that the Authority may consider and approve it and duly authorise the statement to be signed and dated by the Chair of the Audit Committee (or the Authority). The Authority must then publish the final audited statement of accounts by the end of September 2021. An Audit Committee meeting will be scheduled in due course. It is recommended that the Members' Finance Working Group reviews the draft statement of accounts ahead of submission to the Audit Committee. Mazars will report the findings of its audit at that meeting.

5. THE 2021/22 REVENUE BUDGET

5.1. At its meeting on 11 February 2021 the Authority agreed the 2021/22 budget at £72.237m, to be financed by estimated balances of £4.157m, charges to boroughs for non-household and chargeable household waste of £8.510m and £1.772m respectively, and a levy of £57.798m.

5.2. General

- 5.2.1. At this stage of the financial year, it is too early to draw any firm indications about the waste stream for the full year. This applies equally to other tonnage-based areas of the budget. Officers have met with borough counterparts to review tonnages in the last quarter of the year and to discuss likely tonnages in 2021/22. Tonnages have been affected by lockdown with an increase in collected kerbside waste and a reduction in chargeable household and non-household waste types. These issues are discussed in greater detail elsewhere on this agenda.
- 5.2.2. A greater appreciation of any trends that may be developing should become apparent when data is available for the four-month period to the end of July which will be reported to the September meeting of the Authority. Several other issues that emerged during the closure of the 2020/21 accounts will affect 2021/22 and these are discussed below:

5.3. Sale of Recyclates

- 5.3.1. As mentioned in paragraph 2.14, the income received in the months of January to March was greater than forecast due to an increase in tonnage. The price for recyclates for the period April – June has increase to £40 per tonne, although this is expected to reduce towards budgeted levels over coming months. This is discussed in further detail elsewhere on the agenda and the forecast will be updated for the September meeting.

5.4. Expenditure carried forwards from 2020/21

- 5.4.1. As mentioned in section 2, funding will be carried forward for planned expenditure in Strategy and Services, Waste prevention initiative and Recycling communications. Combined, these total £0.137m

5.5. Overview

- 5.5.1. Members will recall that the Authority agreed an increase to the levy for 2021/22. Subject to further budgetary pressures that may emerge during the year, the first review of the 2021/22 suggests £3.754m of balances could be available. Table 12 in the appendix sets out the budget, compared to this budget update.

6. THE OUTLOOK FOR 2022/23

- 6.1. The first review of the 2021/22 budget identifies a revenue balance of £3.754m that might be available to be used to support the 2022/23 budget and therefore, reduce the amount that will need to be recovered from the boroughs through the levy.
- 6.2. The net expenditure requirement for the 2022/23 budget reported in February was £75.308m, with the levy forecast to be £64.556m, an increase of 11.69%. The £3.754m additional balances identified in this report would reduce the forecast levy requirement to £60.802m. This would represent a 5.20% overall increase in the levy. The increase would be different for each borough based on individual

circumstances. Table 13 of the report contains the forecast levy increase for each borough.

7. CONCLUSION

- 7.1. Allowing for the improvement in the revenue balances at 31 March 2021 and the 2021/22 variations, the first review indicates that the Authority's reserves at 31 March 2022 will have increased by £3.754m. This improvement strengthens the Authority's ability to manage its services within budget and accommodate potential budget pressures.

8. EQUALITIES IMPLICATIONS

- 8.1. Budgets and forecasts are considered an allocation of resources. Approval to spend is sought separately by Officers. The equalities implications are considered as part of the spending approval.

9. COMMENTS OF THE LEGAL ADVISER

- 9.1. The Authority may in accordance with Regulation 3(1) of the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006, issue levies on its constituent councils to meet all liabilities falling to be discharged by it for which no provision is otherwise made.
- 9.2. The amount to be levied by the Authority in respect of any financial year from each of its constituent councils is determined in accordance with Regulation 4 by apportioning the total amount to be levied either in such proportions as all the constituent councils may agree or in absence of such agreement, by a combination of:
- 9.2.1. apportioning costs in proportion to the tonnage of household waste delivered by each of council; and
 - 9.2.2. for non-household waste and other costs, apportioning costs on the basis of the council tax base.
- 9.3. All the constituent councils have agreed through the Inter Authority Agreement entered into in 2015 that alternative levy apportionment arrangements will apply from 2015/16 and the menu pricing arrangements referred to above are set out in that Inter Authority Agreement. This meets the requirements of the Joint Waste Disposal Authorities (Levies) (England) Regulations 2006.

List of documents used:

Report to the Authority 11 February 2021 – Budget and Levy 2021/22

2020/21 final accounts Working Papers

2021/22 budgetary control working papers

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APPENDIX A: [FINANCIAL TABLES TO SUPPORT THE REPORT]

Table 1 - Residual waste tonnage and variance to the February 2021 Update

	2019/20 Actual Tonnes	2020/21 February Update Tonnes	2020/21 Actual Tonnes	Change to Feb. Update Tonnes	Change %
Barnet	106,584	112,030	112,161	131	0.12
Camden	75,293	65,080	63,204	-1,876	-2.88
Enfield	91,057	90,601	88,750	-1,851	-2.04
Hackney	88,655	84,973	85,358	385	0.45
Haringey	73,940	74,093	74,643	550	0.74
Islington	79,336	71,591	71,165	-426	-0.60
Waltham Forest	71,709	71,678	75,113	3,435	4.79
Total	586,574	570,047	570,394	347	0.06

Table 2 – Mixed Organic Waste tonnages and variance to the February 2021 Update

	2019/20 Actual Tonnes	2020/21 February Update Tonnes	2020/21 Actual Tonnes	Change to Feb. Update Tonnes	Change %
Barnet	0	0	1	+1	+0.00
Camden	11	0	0	+0	+0.00
Enfield	0	0	0	+0	+0.00
Hackney	0	0	9	+9	+0.00
Haringey	4,381	3,268	1,960	-1,308	-40.02
Islington	3,793	3,780	3,708	-72	-1.90
Waltham Forest	6,876	10,068	9,223	-845	-8.39
Total	15,061	17,116	14,901	-2,215	-12.94

Table 3 – Food Waste tonnages and variance to the February 2021 Update

	2019/20 Actual Tonnes	2020/21 February Update Tonnes	2020/21 Actual Tonnes	Change to Feb. Update Tonnes	Change %
Barnet	0	54	11	-43	-79.63
Camden	2,657	2,883	2,651	-232	-8.05
Enfield	0	0	0	+0	+0.00
Hackney	4,903	4,944	4,375	-569	-11.51
Haringey	1,066	0	3,033	+3,033	+0.00
Islington	0	0	0	+0	+0.00
Waltham Forest	484	0	516	+516	+0.00
Total	9,110	7,881	10,586	+2,705	+34.32

Table 4 – Garden Waste tonnages and variance to the February 2021 Update

	2019/20 Actual Tonnes	2020/21 February Update Tonnes	2020/21 Actual Tonnes	Change to Feb. Update Tonnes	Change %
Barnet	13,870	10,013	10,275	+262	+2.62
Camden	1,695	1,760	1,754	-6	-0.34
Enfield	0	0	50	+0	+0.00
Hackney	2,526	2,646	2,647	+1	+0.04
Haringey	363	1,718	1,543	-175	-10.19
Islington	594	536	422	-114	-21.27
Waltham Forest	1,482	198	282	+84	+42.42
Total	20,530	16,871	16,973	+52	+0.31

Table 5 – Mixed dry recycling tonnages and variance to the February 2021 Update

	2019/20 Actual Tonnes	2020/21 February Update Tonnes	2020/21 Actual Tonnes	Change to Feb. Update Tonnes	Change %
Barnet	26,535	29,602	29,736	+134	+0.45
Camden	16,669	14,763	15,248	+485	+3.29
Enfield	0	0	0	+0	+0.00
Hackney	18,470	19,272	19,608	+336	+1.74
Haringey	16,982	19,417	19,553	+136	+0.70
Islington	15,973	15,028	15,904	+876	+5.83
Waltham Forest	15,956	19,388	17,679	-1,709	-8.81
Total	110,585	117,470	117,728	+258	+0.22

Table 6 - Non-Household waste charges by borough

	2020/21 Original Budget	2020/21 February Update	2020/21 Actual Cost	Repayment due (to)/from Borough (Column 3 - 1)
	1	2	3	
Cost per Tonne #	£87.63	£85.52	£81.84	
	£	£	£	£
Barnet *	1,019,642	724,197	657,575	(362,067)
Camden *	2,285,797	1,733,858	1,518,660	(767,137)
Enfield	843,439	615,199	568,874	(274,565)
Hackney *	1,895,654	1,204,088	1,156,132	(739,522)
Haringey *	351,410	159,308	141,836	(209,574)
Islington *	2,599,910	1,880,839	1,879,134	(720,776)
Waltham Forest	109,348	99,255	104,030	(5,318)
Total	9,105,200	6,416,744	6,026,241	(3,078,959)

Residual only

* Includes the cost of treating recyclable wastes

Table 7 - Chargeable Household waste by borough

	2020/21 Original Budget	2020/21 February Update	2020/21 Actual Cost	Repayment due (to)/from Borough (Column 3 - 1)
	1	2	3	
Cost per Tonne #	£87.63	£85.52	£81.84	
	£	£	£	£
Barnet *	199,805	148,757	76,603	(123,202)
Camden *	486,801	241,357	253,890	(232,911)
Enfield	125,404	48,953	86,260	(39,144)
Hackney *	557,010	381,864	366,829	(190,181)
Haringey *	245,439	210,482	194,771	(50,668)
Islington *	284,477	201,341	222,290	(62,187)
Waltham Forest	16,108	0	0	(16,108)
Total	1,915,044	1,232,754	1,200,643	(714,401)

Residual only

* Includes the cost of treating recyclable wastes

Table 8 - RRC operating costs compared to the fourth review

	2020/21 Original Budget	2020/21 February Update	2020/21 Outturn	2020/21 Variance to February Update
	£	£	£	£
Barnet	1,096,772	925,618	870,059	(55,559)
Camden	526,638	456,136	439,273	(16,863)
Enfield *	34,474	29,174	27,295	(1,879)
Hackney	247,269	217,638	216,443	(1,195)
Haringey	727,940	620,752	574,953	(45,799)
Islington	784,356	674,091	662,430	(11,661)
Waltham Forest	1,331,602	1,119,342	1,081,079	(38,263)
Total	4,749,051	4,042,751	3,871,532	(171,219)

* The Authority does not manage Enfield's RRC; the cost of disposing of this site's residual waste is included in Enfield's base levy.

Table 9 - RRC Balances available at year end

Balances with brackets at 31 March 2021 indicate a balance owed to the borough by the Authority and balances without brackets are a balance owed by the borough to the Authority.

	Additional Balances b/fwd from 2019/20	In-year Change in Balances (Original Budget to Feb Update)	Total Forecast Balances as at 31 March 2021	Additional Balances 2020/21 from table 6	Total Balances at 31 March 2021
	£	£	£	£	£
Barnet	24,934	(171,154)	(146,220)	(55,559)	(201,779)
Camden	45,362	(70,502)	(25,140)	(16,863)	(42,003)
Enfield	377	(5,300)	(4,923)	(1,879)	(6,802)
Hackney	2,180	(29,631)	(27,451)	(1,195)	(28,646)
Haringey	(3,569)	(107,188)	(110,757)	(45,799)	(156,556)
Islington	28,900	(110,265)	(81,365)	(11,661)	(93,026)
Waltham Forest	(18,917)	(212,260)	(231,177)	(38,263)	(269,440)
Total	79,267	(706,300)	(627,033)	(171,219)	(798,252)

Table 10 - Base levy balances by borough

Balances with brackets at 31 March 2021 indicate a balance owed to the borough by the Authority.

	Additional Balances b/fwd from 2019/20	In-year Change in Balances (Budget to Feb Update)	Feb Update Estimated Levy Costs	Year End Actual Levy Costs	Additional Balance at 31 March 2021 (4-3)	Total Balances at 31 March 2021 (1+2+5)
	1	2	3	4	5	
	£	£	£	£		£
Barnet	(422,544)	110,524	11,484,833	10,731,789	(753,044)	(1,065,064)
Camden	(427,391)	(807,953)	4,244,574	3,827,648	(416,926)	(1,652,270)
Enfield	(598,988)	49,508	7,021,918	6,404,865	(617,053)	(1,166,533)
Hackney	(499,677)	21,396	6,850,767	6,355,661	(495,106)	(973,387)
Haringey	(311,718)	215,419	7,394,495	6,835,450	(559,045)	(655,344)
Islington	(408,832)	(389,537)	5,168,658	4,687,480	(481,178)	(1,279,547)
Waltham Forest	(313,363)	253,294	7,632,359	7,239,391	(392,968)	(453,037)
Total	(2,982,513)	(547,349)	49,797,604	46,082,284	(3,715,320)	(7,245,182)

Table 11 - Total balances available by borough (from Tables 9 and 10)

	2020/21 February Update		Movement in Balances		2020/21 Year End Balance	
	Base Levy £	RRC Levy £	Base Levy £	RRC Levy £	Base Levy £	RRC Levy £
Barnet	(312,020)	(146,220)	(753,044)	(55,559)	(1,065,064)	(201,779)
Camden	(1,235,344)	(25,140)	(416,926)	(16,863)	(1,652,270)	(42,003)
Enfield	(549,480)	(4,923)	(617,053)	(1,879)	(1,166,533)	(6,802)
Hackney	(478,281)	(27,451)	(495,106)	(1,195)	(973,387)	(28,646)
Haringey	(96,299)	(110,757)	(559,045)	(45,799)	(655,344)	(156,556)
Islington	(798,369)	(81,365)	(481,178)	(11,661)	(1,279,547)	(93,026)
Waltham Forest	(60,069)	(231,177)	(392,968)	(38,263)	(453,037)	(269,440)
Total	(3,529,862)	(627,033)	(3,715,320)	(171,219)	(7,245,182)	(798,252)
	(4,156,895)		(3,886,539)		(8,043,434)	

Table 12 - 2021/22 Budget and forecast

	2021/22 Budget £'000	2021/22 Forecast £'000	Variance £'000
Expenditure			
Main Waste Disposal Contract (ex RRC Waste)	39,655	39,655	0
Landfill Tax	1,619	1,619	0
Biodegradable Waste Services	1,736	1,736	0
MRF Services	9,889	9,889	0
Transfer Station and Other Sites	2,260	2,260	0
Corporate and Other Support Service Costs	2,868	2,868	0
Strategy and Services Team	865	895	30
Waste Prevention Programme	523	545	22
Recycling Communications	150	235	85
Recycling Initiatives	259	259	0
North London Heat and Power Project	752	752	0
Revenue Funding – Capital Programme	7,113	7,113	0
	67,689	67,826	137
Reuse and Recycling Centre Expenditure			
RRC Residual Waste	983	983	0
RRC Landfill Tax	149	149	0
RRC Operations	3,708	3,708	0
	4,840	4,840	0
Less			
Income			
Rents	(125)	(125)	0
Sale of Recyclates	(2,474)	(2,474)	0
Interest on Balances	(90)	(90)	0
	(2,689)	(2,689)	0
Net Expenditure	69,840	69,977	137
Contingency	2,397	2,397	0
Total Net Expenditure	72,237	72,374	137
Financed by:			
Use of Balances	(4,157)	(8,043)	(3,886)
Charges to Boroughs (Non-household waste)	(8,510)	(8,514)	(4)
Charges to Boroughs (Chargeable household waste)	(1,772)	(1,773)	(1)
Estimated Levy – Base Element	(53,584)	(53,584)	0
Estimated Levy – RRC Element	(4,214)	(4,214)	0
Total Estimated Levy	(57,798)	(57,798)	0
Total Resources Available	(72,237)	(76,128)	(3,891)
Estimated Revenue Balance at 31 March	0	(3,754)	(3,754)

Table 13 - Possible 2022/23 levy based on the year-end and first review variances

	2021/22 Actual Levy	2022/23 Revised Forecast Levy	Forecast Levy Increase	2020/21 Additional Year End Balances	2021/22 Forecast Balances	Additional Balance to reduce the 2021/22 Levy	2022/23 Revised Forecast Levy	Revised Forecast Levy Increase
	£'000	£'000 a	%	£'000 b	£'000 c	£'000 d (b+c)	£'000 (a+d)	%
Barnet	13,362	14,386	7.66%	(809)	28	(781)	13,605	1.82%
Camden	5,125	6,651	29.78%	(434)	16	(418)	6,233	21.62%
Enfield	7,135	8,050	12.82%	(619)	15	(604)	7,446	4.36%
Hackney	7,585	8,444	11.32%	(496)	21	(475)	7,969	5.06%
Haringey	9,000	9,590	6.56%	(604)	19	(585)	9,005	0.06%
Islington	6,026	7,186	19.25%	(493)	16	(477)	6,709	11.33%
Waltham Forest	9,565	10,249	7.15%	(431)	17	(414)	9,835	2.82%
Total	57,798	64,556	11.69%	(3,886)	132	(3,754)	60,802	5.20%

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