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<b>REPORT TO:</b>	<b>COUNCIL</b>	<b>AGENDA ITEM: 10</b>
<b>DATE OF MEETING:</b>	<b>7<sup>TH</sup> APRIL 2016</b>	<b>CATEGORY: RECOMMENDED</b>
<b>REPORT FROM:</b>	<b>CHIEF EXECUTIVE</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>GILLIAN COATES (01283 595994)</b> <a href="mailto:gillian.coates@south-derbys.gov.uk">gillian.coates@south-derbys.gov.uk</a>	<b>DOC:</b> u/ks/budgets/budget round 201617/waste less save more FM report
<b>SUBJECT:</b>	<b>SAINSBURY'S WASTE LESS, SAVE MORE PARTNERSHIP: GRANT AWARD OUTCOMES AND FINANCIAL IMPLICATIONS</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>ALL</b>	<b>TERMS OF REFERENCE:</b>

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## **1.0 Recommendations**

- 1.1 That the development of the Waste Less, Save More Partnership and associated Council projects are approved.
- 1.2 That £35,000 is allocated from the General Fund Reserve to enable the Business and Recycling Manager to be seconded to the Partnership.
- 1.3 That the Council's Contract Procedure Rules (Tendering Procedures) are set-aside in order to purchase a specialised vehicle for operational delivery.
- 1.4 That a small contingency budget of £5,000 per year is set-up to meet any running costs of the specialised vehicle beyond December 2016.
- 1.5 That any additional personnel that are employed on a temporary basis to deliver projects comply with the Council's HR processes and are cost neutral.
- 1.6 That all income and expenditure associated with projects and grant funding complies with the Council's financial procedural rules.
- 1.7 That any further Environmental Education schemes as outlined in the report are added to the delivery programme if there are no further resource implications for the Council.

## **2.0 Purpose of Report**

- 2.1 To report on the outcome of the recent grant awards that will provide funding for activities that will help to achieve the aims of the Waste Less, Save More (WLSM) partnership with Sainsbury's.

- 2.2 To seek approval for the allocation of resources to continue to work with Sainsbury's to deliver the project in order to achieve the project's aims to reduce the amount of food disposed of in the urban area by 50% and reduce spending on food by £350 per household.
- 2.3 The purchase of the required specialised WLSM on the Go vehicle will require a resolution to waive tendering rules and the reasons for this request are detailed in the report. It is considered that the purchase of a specialised vehicle is necessary to meet the requirements of the project within immediate timelines and in the interests of the partnership between Sainsbury's and South Derbyshire District Council.
- 2.4 In addition, a small budget is requested for the on-going maintenance of a vehicle beyond December 2016 in order to support corporate events along with local markets to attract visitors and for the benefit of the local economy. It is anticipated income streams will be generated from the local markets, sponsorship and hire fees to cover costs of maintenance. However in the event of a shortfall, some provision is requested.

### **3.0 Detail**

- 3.1 In October 2015 the South Derbyshire Waste less, Save more Network, a group of 42 locally based organisations, was formed in order to develop and submit a bid for £1million investment from Sainsbury's to reduce food waste and food spending in the area.
- 3.2 The funding attracted 189 bidders from all over the country and the South Derbyshire bid was shortlisted to the final five. On 1<sup>st</sup> December 2015, the Network was invited to Sainsbury's headquarters in London where it was announced that the Swadlincote bid had been successful.
- 3.3 On 5<sup>th</sup> December a celebratory Winter Warmer event was held in very breezy conditions on The Delph, in Swadlincote. Sainsbury's provided chefs and produce to cook up four different soup recipes which were given out as examples of what can be made from unused vegetables.
- 3.4 Members of the network attended before joint ideas generation session with Sainsbury's in London on 21<sup>st</sup> December followed by a meeting where the governance of the project and grant making procedure were agreed.
- 3.5 To provide an opportunity for local community groups to access WLSM grants a special community forum was held at Sharpe's Pottery on 27<sup>th</sup> January 2016. Detailed ideas for projects were developed and project teams to submit bids by the deadline of 19<sup>th</sup> February were formed.
- 3.6 The WLSM partnership was formally launched in the Sainsbury's store in Swadlincote on Wednesday 27<sup>th</sup> January 2016. A special 'Waste Warriors' game was premiered alongside a stall to giveaway fridge thermometers, leftovers monitoring stickers and food measuring packs were exchanged for tips on saving food and money. All tips given were entered into a competition to win a home visit for a Rescue Chef.

### **Purchase and Utilisation of a Specialised Catering Vehicle**

- 3.7 To serve as a focal point for the WLSM partnership officers developed a bid for a specialised vehicle to engage and educate large numbers of the community at events and schools. Extensive market research has been undertaken within the supply market in order to determine an approximate cost and to obtain general advice and information about a suitable vehicle specification to meet the needs of the project. To procure a specialised vehicle through the normal process would take a minimum of 16 weeks and would impact the delivery of the project aims.
- 3.8 Based on 'Best Value' taking into account the optimum combination of whole life cost and quality necessary including timescales, disposal cost of goods and mutually beneficial relationships between South Derbyshire District Council and Sainsbury's, officers are seeking to purchase a second hand vehicle that meets the specification requirements, for a maximum cost of £30,000.
- 3.9 This specialised vehicle will stand out from the crowd to provide a focal point that will attract up to 40,000 members of the public and engage them in a new fun and innovative way to help communities, businesses, schools and sample streets to cut food waste by 50% and save households £350.
- 3.10 The capital cost of the vehicle will be financed from the funding that has been awarded to the Council (detailed later in the report). As the vehicle is highly specialised, there is a limited market available. Although the vehicle is "second hand" it is a cheaper option compared to the purchase of a new vehicle which would need to be modified.
- 3.11 As the price of £30,000 is above the Council's tendering threshold of £25,000, it will require the Council's normal tendering procedures to be set-aside in this instance.
- 3.12 This is required in order to purchase a vehicle from the second hand market and to meet the timescales of the project.
- 3.13 The vehicle will only be required on a short-term basis until December 2016, after which it can be sold with any proceeds coming back to the Council. However, it is anticipated that vehicle could be retained in order to support corporate events along with local markets to attract visitors and for the benefit of the local economy. It is anticipated income streams will be generated from the local markets, sponsorship and hire fees to cover costs of maintenance. However in the event of a shortfall, a small budget of £5,000 is requested.

### **Proposed Projects**

- 3.14 The WLSM grant award panel, comprising representatives of Sainsbury's, Hubbub, an environmental charity, together with the Chief Executive of South Derbyshire CVS, met on 24<sup>th</sup> February to determine the outcome of bids.
- 3.15 The decisions of the WLSM grant award panel and details of bids submitted by SDDC are detailed in the following table.
- 3.16 It should be noted that other bids, for example regarding picnic resources, will be submitted in April, July or other deadlines depending on resources, which may need to commence immediately. Therefore, it is requested that if these bids are agreed without any further resource implications for the Council, that these are added to the delivery plan as detailed in the following table.

<b><u>Project &amp; Team</u></b>	<b><u>Details</u></b>	<b><u>Awarded</u></b>	<b><u>Notes</u></b>
WLSM Food Saver Champs & WLSM on the Go vehicle - Gillian Coates & Nicola Lees	To provide a team and team leader to 'doorstep' local residents to engage them in WLSM activities and measure food waste disposal and food shopping savings. WLSM on the Go vehicle to visit streets, schools and events to bring the WLSM message to life with cooking demonstrations and handy tips.	£180,000 - £200,000	Final details regarding numbers of staff and length of employment to be agreed. Staff to be employed by Hubbub from agencies that specialise in providing staff for environmental project engagement. The staff will be managed by the Council. Vehicle cost in excess of £25,000 and will require members to permit exception to Contract Procedure rules.
'Fab Food' Education bid - Andy Chalmers/ Kate Allies	To deliver food waste audits and activities to deliver the WLSM messages in schools An assistant to deliver these activities has been allocated from the Food Saver Champs bid	£30,000 – £38,000	Final breakdown of costs to be agreed but will include management and admin time.
'Menu Magicians' education and community bid Andy Chalmers/ Kate Allies	To run alongside Fab Food and provide a magic show giving food waste issues the 'wow' factor and helping promote the project/ increase community engagement	£12,115  (£9,625 Magician and show costs) (£2,190 SDDC project management, admin and promotion costs)	Magician to be paid directly by Hubbub/ Sainsbury's not SDDC Full cost recovery on SDDC time based on £25/hr (wages/ oncosts/ core costs for Env Education team)

WLSM 'Top Trumps' game - Matt Holford	To develop a 'Top Trumps' style card game using the most commonly waste food types and facts about shelf life, best storage and level of harm.	£11,500	Sainsbury's to assist in sourcing potential provider of the card game.
WLSM food waste kit for tenants - Chris Holloway	Kit containing basic food items, utensils and storage containers plus recipe cards to be provided to new Council housing tenants	£11,000	This project will be delivered and supported by the Housing Team
WLSM bin stickers- Gillian Coates	Stickers to be affixed to the black refuse and brown compost bins at 18,000 Swadlincote homes to promote the WLSM scheme and signpost residents to food waste saving hints and tips.	£5,700	Design and print collaboration with Derbyshire County Council waste management team and Sainsbury's

#### **4.0 Financial Implications**

- 4.1 With the exception of the WLSM on the Go vehicle the projects above can be funded from the grants awarded by the WLSM panel.
- 4.2 It is proposed that the WLSM on the Go vehicle is purchased and owned by the Council from Sainsbury's investment funds. It is placed on the asset register and its value depreciates over the life of the vehicle to an estimated residual value. There is no risk that the residual value will not be met if the vehicle was to be disposed.
- 4.3 To maximise operational and service efficiencies the vehicle will be serviced, stored and maintained by the in-house team at our Depot facilities at a cost of £5,000 per annum from January 2017, if it is retained.
- 4.4 It is not expected that the vehicle will be added to the rolling programme of vehicle replacements as it comes to the end of its life. A number of factors will be considered at replacement time including available capital resources, need, reliability, servicing and maintenance and fit for purpose.

## **Education Bids/ Environmental Education Project team**

- 4.5 The bids put forward by this Team in this round and any future bid rounds will be cost neutral for the Council.
- 4.6 The management, administrative and delivery time for these bids and any others put forward by the Environmental Education Project team will be based on full cost recovery on a rate of £25 per hour
- 4.7 It is proposed to use existing part time and casual staff resources, supported by additional staff (if required) employed on temporary and/or casual contracts using the existing Environmental Education model of agreeing contracts and terms based on the time frames for the funding agreements.
- 4.8 The funding bids include the cost of employing any additional staff (if required) including recruitment and establishment costs. As these staff will be directly employed by the Council, they will be accounted for through the Council's Payroll. All relevant HR procedures will be applied.

## **Business and Recycling Manager**

- 4.9 There will be a requirement to back-fill the post held by the Business and Recycling Manager who is leading on the WLSM partnership and there will be a cost to the Council of approximately £35,000 for a 12 month period. Under the criteria for the Sainsbury's project we are unable to claim these costs back, and as such this will be a strain on the General Fund. It should be noted, however, that as costs for the Direct Service operation were reduced by approximately £45,000 per following the recent restructure, it will be possible to off-set the impact of the Sainsbury's project against this saving for one year.

## **5.0 Corporate Implications**

- 5.1 The partnership between South Derbyshire and Sainsbury's directly contributes to the Corporate Plan's vision to 'make South Derbyshire a better place to work, live and visit' and to the theme of 'Sustainable Growth & Opportunity – strengthening South Derbyshire's economic position within a 'clean' and 'sustainable' environment'.

## **6.0 Community Implications**

- 6.1 The relationship between South Derbyshire and Sainsbury's directly contributes to the South Derbyshire Partnership's Sustainable Community Strategy vision of 'a dynamic South Derbyshire, able to seize opportunities to develop successful communities, whilst respecting and enhancing the varied character of our fast growing district'. 'Sustainable Development' is highlighted as a key theme, with the aim of achieving 'sustainable existing and new communities that meet the population's needs and aspirations'.

## **7.0 Conclusions**

- 7.1 The rewards of the WLSM partnership with Sainsbury's for South Derbyshire are just beginning, it is recommended that Members support the allocation of resources to further develop the benefits for the local community of South Derbyshire.