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Transfer of the Waste Element of the Single Environment Grant into the Settlement for 2018-19

Summary

1. This paper looks at a potential transfer into the settlement of funding from the waste element of the Single Revenue Grant for 2018-19 onwards and considers the potential distribution on transfer in.

Views sought

2. DSG members are asked to agree, in principle, a recommendation for the distribution of this funding on transfer into the settlement

Related papers

3. None.

Distribution Sub-Group (2017) Paper 10 – Transfer of Waste element of SRG

Background

4. The Sustainable Waste Management Grant (SWMG) was introduced in 2001-02 to encourage and support the introduction of collections of recyclable materials in the municipal waste stream. It supplemented RSG funding for waste services in local authorities that, until then, had been used to provide a single, basic waste collection service, with most waste being taken to landfill.
5. During 2015-16, the SWMG was amalgamated into the Environment and Sustainable Development Directorate's Single Revenue Grant (SRG). In 2017-18, this waste element amounts to £58 million of funding.
6. At a WLGA Cabinet Member Waste Event in November 2016, the Cabinet Secretary for Environment and Rural Affairs agreed to consider the transfer of some specific grant funding for waste into the Revenue Support Grant (RSG) and, subsequently, set up a Task and Finish Group to look at these considerations, amongst other waste-related issues.
7. The Task and Finish Group has met on 5 occasions and is due to report to the Waste Ministerial Programme Board on 19 July, providing a number of options for consideration of the arrangements and quantum of the transfer.
8. The DSG is being asked, in principle, on which basis any funding to be transferred into the settlement should be distributed.

Analysis

9. The Waste Element of the SRG is currently distributed on the sum of the Waste Collection and Waste Disposal Indicator Based Assessments (IBAs).
10. It is proposed that the DSG agree to recommend that any potential transfer into the RSG is identified as a separate IBA for 2 years, distributed on the sum of the Waste Collection and Waste Disposal IBAs, and that the funding is then subsumed into the relevant waste IBAs once the corresponding Revenue Outturn (RO) data becomes available in the third year of the transfer.
11. This will enable the distribution formula to be preserved on transfer into the settlement (the sum of the refuse collection and refuse disposal IBAs) and the IBA to be separately identified for 2 years, until the third year when the funding will be distributed across the refuse collection and disposal IBAs in-line with the Wales-level expenditure identified on the RO forms.

Conclusion

12. The DSG are asked to agree the method of distribution proposed in paragraph 10 for the potential transfer or funding from the waste element of the SRG into the settlement for 2018-19 onwards.