

**A) Levy at zero increase under current levy mechanism**

Levy Increase - 0%									Prior year comparison		
Levy Apportionment											
Based On Full Year 2015/16 tonnages											
2017/18	Tonnage Based Cost		Recycling Credit Cost		Population Based Cost		Abatement	Total 2017/18 Levy	2016/17 Levy	Variance	% Increase/Decrease
	Tonnes 1	£	Tonnes 2	£	No. 3	£					
Knowsley	50,973	5,933,055	7,555	401,678	147,231	874,661	(85,354)	<b>7,124,040</b>	7,215,060	(91,020)	(1.26)%
Liverpool	163,853	19,071,870	17,644	938,058	478,580	2,843,120	(81,321)	<b>22,771,727</b>	22,783,091	(11,364)	(0.05)%
St Helens	46,747	5,441,138	21,472	1,141,585	177,612	1,055,147	22,892	<b>7,660,762</b>	7,359,243	301,518	4.10%
Sefton	77,903	9,067,542	32,759	1,741,695	273,707	1,626,022	226,047	<b>12,661,306</b>	12,831,863	(170,558)	(1.33)%
Wirral	110,376	12,847,281	13,201	701,865	320,900	1,906,384	(82,261)	<b>15,373,268</b>	15,401,842	(28,576)	(0.19)%
	<b>449,852</b>	<b>52,360,885</b>	<b>92,632</b>	<b>4,924,880</b>	<b>1,398,030</b>	<b>8,305,334</b>	<b>0</b>	<b>65,591,099</b>	<b>65,591,099</b>	<b>0</b>	<b>0.00%</b>

Total tonnes of waste for each Council treated by MRWA – including all tonnes, Residual or Recycled. Tonnages are the latest available figures so 2015/16 tonnes as they are the latest available, adjusted via abatement when 2016/17 tonnages are available

Total budgeted cost of tonnes treated by MRWA, including both disposal and recycling costs added together, then allocated to Districts according to their share of total tonnes in the previous column – i.e. every tonne is at the same average price (whether residual or recycled)

Tonnes dealt with by Councils which are not sent to MRWA for treatment, Green Waste for example, based on latest tonnes available, so 2015/16, adjusted when 2015-16 figures are available via abatement

Recycling credit paid by MRWA to Districts to contribute to their costs of treatment where tonnes are not sent to MRWA – the credit is collected in the Levy and paid out to Districts (in a circular flow of funds)

Estimated population figure for each District

All costs not directly attributable to an individual District's tonnages, for example HWRCs, Closed Landfill sites and other costs of the Authority – allocated by reference to the population estimate in the previous column

Abatement, this is the adjustment from the previous year's levy, as the 2015/16 tonnage figures are available, reflecting a 'catch-up' and balancing of over and under charges via the previous year's levy

Total Levy charge for each District Council, sum of all the relevant charges, nb for 2017/18 the Levy at this level does not meet all the Authority's funding requirement, the actual funding requirement was £8.8M more, which is planned to be subsidised from General Fund balances – they are not available for future years

This is a summary of the above table – setting out the changes in levy for each Council if the levy is held at the same level as last year, but with the levy mechanism in place.

<b>2017/18 LEVY SET AT ZERO INCREASE WITH CURRENT MECHANISM VS 2016/17</b>				
	<b>2016/17 Levy</b>	<b>Levy Mechanism 2017/18</b>	<b>Increase/ Decrease (-)</b>	<b>% Increase/ Decrease</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Knowsley	7,215,060	7,124,039	-91,021	-1.26
Liverpool	22,783,091	22,771,726	-11,365	-0.05
St Helens	7,359,243	7,660,761	301,518	4.10
Sefton	12,831,863	12,661,305	-170,558	-1.33
Wirral	15,401,842	15,373,268	-28,574	-0.19
	<u>65,591,099</u>	<u>65,591,099</u>	<u>0</u>	<u>0.00</u>

## B) Levy set at cash freeze

<b>2017/18 LEVY SET AT CASH FREEZE FOR DISTRICTS</b>				
<b><u>AS PER 2016/17</u></b>				
	<b>2016/17 Levy</b>	<b>Levy Cash Freeze 2017/18</b>	<b>Increase/ Decrease (-)</b>	<b>% Increase/ Decrease</b>
	<b>£</b>	<b>£</b>	<b>£</b>	
Knowsley	7,215,060	7,215,060	0	0.00
Liverpool	22,783,091	22,783,091	0	0.00
St Helens	7,359,243	7,359,243	0	0.00
Sefton	12,831,863	12,831,863	0	0.00
Wirral	15,401,842	15,401,842	0	0.00
	<b>65,591,099</b>	<b>65,591,099</b>	<b>0</b>	<b>0.00</b>

Under this scenario the levy mechanism is suspended – and District Councils receive a Levy request that is the same as the previous year. The following table illustrates the Levy at a zero increase under the existing Levy mechanism and explains how each element of the mechanism works.

C) This is an illustration of a 2% levy increase under the existing Levy mechanism, a half-way house between zero and 4%

Levy Increase - 2%									Prior year comparison		
Levy Apportionment											
Based On Full Year 2015/16 tonnages											
2017/18	Tonnage Based Cost		Recycling Credit Cost		Population Based Cost		Abatement	Total	2016/17 Levy	Variance	% Increase/ Decrease
	Tonnes 1	£	Tonnes 2	£	No. 3	£	£	£			
Knowsley	50,973	5,933,055	7,555	401,678	147,231	1,012,811	(85,354)	7,262,190	7,215,060	47,130	0.65%
Liverpool	163,853	19,071,870	17,644	938,058	478,580	3,292,182	(81,321)	23,220,789	22,783,091	437,698	1.92%
St Helens	46,747	5,441,138	21,472	1,141,585	177,612	1,221,804	22,891	7,827,418	7,359,243	468,175	6.36%
Sefton	77,903	9,067,542	32,759	1,741,695	273,707	1,882,848	226,048	12,918,132	12,831,863	86,269	0.67%
Wirral	110,376	12,847,281	13,201	701,865	320,900	2,207,491	(82,261)	15,674,375	15,401,842	272,533	1.77%
	<b>449,852</b>	<b>52,360,885</b>	<b>92,632</b>	<b>4,924,880</b>	<b>1,398,030</b>	<b>9,617,136</b>	<b>0</b>	<b>66,902,904</b>	<b>65,591,099</b>	<b>1,311,805</b>	<b>2.00%</b>

D) Here the impact of a 4% increase under the existing mechanism is summarised, with the detail in the following table

<b>4% INCREASE IN LEVY FOR 2017/18 COMPARED TO 2016/17 LEVY</b>				
	<b>2016/17 Levy</b>	<b>Levy 2017/18 at</b>	<b>Increase/</b>	<b>% Increase/</b>
	<b>£</b>	<b>4% Total Increase</b>	<b>Decrease (-)</b>	<b>Decrease</b>
		<b>£</b>	<b>£</b>	
Knowsley	7,215,060	7,400,340	185,280	2.57
Liverpool	22,783,091	23,669,851	886,760	3.89
St Helens	7,359,243	7,994,075	634,832	8.63
Sefton	12,831,863	13,174,958	343,095	2.67
Wirral	15,401,842	15,975,483	573,641	3.72
	<b>65,591,099</b>	<b>68,214,707</b>	<b>2,623,608</b>	<b>4.00</b>

<b>Levy Increase - 4%</b>												
<b>Levy Apportionment</b>												
<b>Based On Full Year 2015/16 tonnages</b>												
<b>2017/18</b>	<b>Tonnage Based Cost</b>		<b>Recycling Credit Cost</b>		<b>Population Based Cost</b>		<b>Abatement</b>	<b>Total</b>	<b>Prior year comparison</b>			
	<b>Levy Increase 4%</b>	<b>Tonnes 1</b>	<b>£</b>	<b>Tonnes 2</b>	<b>£</b>	<b>No. 3</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>2016/17 Levy</b>	<b>Variance</b>	<b>% Increase/Decrease</b>
										<b>£</b>	<b>£</b>	<b>%</b>
Knowsley		50,973	5,933,055	7,555	401,678	147,231	1,150,961	(85,354)	7,400,340	7,215,060	185,280	2.57%
Liverpool		163,853	19,071,870	17,644	938,058	478,580	3,741,244	(81,321)	23,669,851	22,783,091	886,760	3.89%
St Helens		46,747	5,441,138	21,472	1,141,585	177,612	1,388,461	22,891	7,994,075	7,359,243	634,832	8.63%
Sefton		77,903	9,067,542	32,759	1,741,695	273,707	2,139,673	226,048	13,174,958	12,831,863	343,095	2.67%
Wirral		110,376	12,847,281	13,201	701,865	320,900	2,508,599	(82,261)	15,975,483	15,401,842	573,640	3.72%
		<b>449,852</b>	<b>52,360,885</b>	<b>92,632</b>	<b>4,924,880</b>	<b>1,398,030</b>	<b>10,928,938</b>	<b>0</b>	<b>68,214,706</b>	<b>65,591,099</b>	<b>2,623,607</b>	<b>4.00%</b>

**E) ILLUSTRATION OF LEVY AT 11.5% IN 2018-19**

This is intended to show how the Levy may impact on Councils in 2018-19 if the Levy is held at the same level this year as in the previous year, it is only an illustration and does not show the actual impact as relevant tonnages and populations are not known.

<b>Following years Levy if freeze in 2017/18</b>					
<i>(illustrative only to show how 2018/19 Levy may look, not precise as Levy formula dependent)</i>					
	<b>2017/18 freeze</b>	<b>Example Levy</b>			
	<b>Levy</b>	<b>2018/19 at 11.5%</b>	<b>Increase/</b>	<b>Decrease (-)</b>	<b>% Increase/</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>Decrease</b>
Knowsley	7,215,060	7,918,403	703,343		9.75
Liverpool	22,783,091	25,353,833	2,570,742		11.28
St Helens	7,359,243	8,619,040	1,259,797		17.12
Sefton	12,831,863	14,138,051	1,306,188		10.18
Wirral	15,401,842	17,104,634	1,702,792		11.06
	<u>65,591,099</u>	<u>73,133,961</u>	<u>7,542,862</u>		<u>11.50</u>