

Supplementary Committee Agenda



**Epping Forest
District Council**

Cabinet Monday, 7th September, 2009

Place: Council Chamber, Civic Offices, High Street, Epping

Time: 7.00 pm

Democratic Services: Gary Woodhall (The Office of the Chief Executive)
Email: gwoodhall@eppingforestdc.gov.uk Tel:01992 564470

8.a FINANCIAL ASSISTANCE FOR BROADWAY TRADERS (PAGES 3 - 6)

(Finance & Economic Development Portfolio Holder) To consider the attached report (C-034-2009/10).

23. WASTE MANAGEMENT POLICIES (Pages 7 - 14)

(Environment Portfolio Holder) To consider the attached report (C-032-2009/10).

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Report to the Cabinet

Report reference: C-034-2009/10
Date of meeting: 7 September 2009



Portfolio: Legal & Estates/ Housing/ Finance & Economic Development

Subject: Financial Assistance for Broadway traders

Responsible Officer: Chris Pasterfield (01992 564124)
Bob Palmer (01992-564279)

Democratic Services Officer: Gary Woodhall (01992-564470)

Recommendations/Decisions Required:

To recommend to Council a scheme of rent refunds for shops in Loughton Broadway that matches the temporary amendments to rateable values approved by the Valuation Office in the following respects:-

- a) only properties that have received a reduction in rateable value will be eligible;
- b) the period of the refund will match the period of the reduction in the rateable value; and
- c) the percentage reduction in rent will match the percentage reduction in rateable value.

Executive Summary:

At the meeting of the Overview and Scrutiny Committee on 3 September Members considered the decision made by Cabinet on 13 July not to enter into a rent deferral scheme for shops in Loughton Broadway.

Following careful consideration of the current trading position and changes in circumstances since the original decision, Members felt it was now possible to put in place a scheme of rent refunds to assist the traders.

Even after the rent refund scheme it is anticipated that the revised estimates for the Housing Revenue Account will show a stronger position than the original estimates. However, as the proposed scheme is not wholly in accordance with the current budget, approval is required from Council.

Reasons for Proposed Decision:

To ensure that traders at the Broadway are provided with appropriate and justifiable financial assistance.

Other Options for Action:

To not provide a rent refund scheme or to provide a rent deferral scheme. However, Members have previously decided against a deferral scheme as this was not felt to be a good solution for tenants.

Report

1. The previous Cabinet meeting considered a motion referred from Council which proposed a rent deferment scheme for tenants of the shops at the Broadway and the provision of wider assistance to other tenants of commercial premises. It was decided not to introduce a rent deferral scheme as such a scheme was not felt to be a good solution for either the Council or the traders.
2. From the Council perspective it was important to be fair to all tenants and there was no objective evidence at that time that would allow a distinction to be made between the Broadway and other areas. A rent deferral scheme for all commercial properties could have had a serious impact on the financial position of both the General Fund and the Housing Revenue Account, as there are commercial properties held within both funds.
3. It was also felt that a deferment scheme would be of little benefit to traders as it would only prolong any financial problems and could ultimately do more harm than good.

National Non-Domestic Rates

4. The Council collects national non-domestic rates on behalf of the government and receives back an allocation from the national rate pool (in 2008/09 some £29.4m was collected and paid into the pool whilst £8.2m was received back). The rates payable for a property are determined by its rateable value, which is assessed by the Valuation Office, which has a national rate or multiplier applied to it (46.2p per £ of rateable value in 2008/09). Advice was provided to the Broadway traders on applying to the Valuation Office to seek reductions in the rateable value of their properties for the duration of the enhancement works. Prior to the previous Cabinet meeting no notifications of reductions in rateable values had been received.
5. The Council has now received notifications from the Valuation Office that on average reduce the rateable values of 58 properties in the Broadway by approximately 25%. These reductions cover a period of 242 days when the enhancement works were being undertaken. Amended bills are now being calculated and issued in accordance with the notifications.

Housing Revenue Account

6. The original estimates for the Housing revenue Account were constructed on the basis of government advice and regulations in place at that time and predicted a deficit for 2009/10 of £388,000. Members may recall that shortly after these estimates and the associated rent increase were set the government changed their guidelines for rents. The initial guidelines encouraged rent increases in excess of 6%, Members had felt this to be excessive and set a lower increase of 4%. The revised guidelines required authorities to limit increases to 3% and tenants will be receiving amended charges for their rent in due course.
7. The combined effects of the change in rent guidelines and other late government amendments became clear on 28 August when the Council submitted the latest housing subsidy claim to the Department for Communities and Local Government. It is now anticipated that the negative subsidy payable to the government for 2009/10 will be £9.75 million instead of £11.2 million. There are two negative factors to off-set against the reduction of £1.4 million, firstly the loss of approximately £250,000 of rent

(due to the change in the rent increase from 4% to 3%). Secondly, interest earnings will be lower than originally anticipated and this may impact by as much as £500,000.

8. The revised estimates are still very much work in progress and there are a number of other issues that need to be looked at in detail. However, based on the key items identified above a prudent prediction is that the revised estimates will show a small surplus rather than a £388,000 deficit.

Rent Refund Scheme

9. In the time available it has not been possible to calculate a precise figure for the cost of the proposed scheme. A scheme that matched the reduction applied by the Valuation Office of a 25% reduction for a 242 day period would have a cost in the order of £160,000. If the scheme is designed to exactly match the reductions in rateable value then each property will need to be reviewed individually.

10. It is proposed that where a tenant is not in arrears their subsequent invoices should be reduced to take account of the refund. If a tenant is in arrears it is proposed that any refund will be off-set against their arrears.

Resource Implications:

The proposed scheme is likely to reduce rental income to the HRA by £160,000. However, even allowing for this it is still anticipated that the revised estimates for the HRA will show a stronger position than the original estimates.

Legal and Governance Implications:

If the Council makes a rent refund it could be seen as accepting liability for losses suffered during the period of the enhancement works. Before making any payment the Council should be satisfied that the losses claimed have actually been incurred. Any payment should be ex gratia and paid as full and final settlement of any claim. That would have to be agreed under correspondence between the parties marked 'without prejudice' before any money is parted with to be binding.

Safer, Cleaner and Greener Implications:

There are no environmental implications.

Consultation Undertaken:

The recommendation was endorsed by the Overview and Scrutiny Committee on 3 September.

Background Papers:

Previous reports to Council, Cabinet and Overview and Scrutiny

Impact Assessments:

Equalities

The recommendations are not felt to have any equalities impacts.

Risk Management

If a scheme is put in place to assist the Broadway claims may arise for similar assistance elsewhere. However, it may be possible to distinguish the circumstances of the Broadway based on the enhancement works and the reductions in rateable values.

If no scheme is put in place the Council could be criticised for failing to assist the traders, particularly in view of the financial strength of the Housing Revenue Account.

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Report to the Cabinet

Report reference: C-032-2009/10
Date of meeting: 7 September 2009



**Epping Forest
District Council**

Portfolio: Environment
Subject: Waste Management Policies
Responsible Officer: John Gilbert (01992 564062).
Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations/Decisions Required:

- (1) To agree and adopt the new waste management policy statements numbers (1) to (6);**
- (2) To agree waste policy (7) and to specifically consider the arrangements to be put into place for dealing with requests for additional garden waste capacity; and**
- (3) To note that further policies relating to lost, damaged and stolen containers, and policies relating to flats and communal buildings will be brought to a future Cabinet for consideration**

Executive Summary:

The Council has a place a number of waste management policies introduced following the implementation of the original wheeled bin service. These polices deal with issues around the size of containers, closed lids and contamination. With the implementation of the new waste management service in September 2009, it is essential that these policies are reviewed and amended to reflect the new service and current operational circumstances.

This is a key decision

“A safe, healthy & attractive place” – “create safer communities”

“maintain the special character and advantage of the District, and address local environmental issues”

Council Plan 2006-2010 – “Green & Unique” – *“we want to improve our recycling performance to exceed statutory targets by completing the introduction of new waste management arrangements across the District.....”*

Cabinet Priorities 2009/10 – Environment – *“with the Council’s contractor Sita, to commence the implementation of the agreed changes to the waste management service by September 2009”*

Reasons for Proposed Decision:

To have in place new and amended waste management policies in time for the introduction of the new waste service in September 2009.

Other Options for Action:

The only alternative options are to:

- (i) retain the existing policies;
- (ii) amend the proposed policies; or
- (iii) manage the service with no policies

None of the above can be recommended, since it is critical to the success of the new scheme that residents, the contractor and waste management officers have a clear set of operational policies agreed and in place.

Report:

1. The new waste management service, agreed by Cabinet at its special meeting in January 2009 is in the process of being rolled out across the district, with the new wheeled bins and caddies being delivered to residents. These deliveries are being supplemented by the provision of a wide range of supporting documentation and local roadshows where residents can talk to officers about the new service. The new service is scheduled to commence on 7 September 2009.

2. The Council already has in place a number of policy documents which deal with matters such as:

- containers;
- which materials should go into particular containers;
- assisted collections;
- collection locations and times; and
- contamination of containers

3. For the new service to be successful it is important that residents, Sita (the Council's contractor), waste management officers and the officers dealing with resident enquiries are clear about how the new service operates. It is therefore necessary for the existing policy documents to be reviewed and updated to reflect the new service and the current legislative environment.

4. The proposed policy documents are appended to the agenda. They are in some cases more restrictive than their predecessors, reflecting the need for residents:

- (i) to be more particular around the separation of recyclable materials from that destined for landfill thus avoiding the rejection of recyclable materials at the processing plant; and
- (ii) to reuse and recycle as much as they can through reductions in capacity for certain waste streams.

5. There are 7 policy documents covering the following core issues:

- (i) type of containers;
- (ii) container capacity;
- (iii) suitability of properties for wheelie bins;
- (iv) contamination of containers;
- (v) collection of side waste;

- (vi) exemptions; and
- (vii) exceptions

Two further policy documents are being prepared which relate to lost, damaged and stolen waste containers and arrangements at flats and similar communal buildings. These will be brought forward for consideration by Cabinet at a future meeting.

6. With respect to the exceptions policy, there are some residents who have expressed concern about the perceived reduction in capacity for garden waste arising from the change from sacks to a wheelie bin. However, each resident will have more than 300 litres of capacity since the garden waste bin is to be collected weekly. The analysis of last year's questionnaire indicated that the average number of sacks put out was 4 or 5 per fortnight, and the capacity of the new arrangements is sufficient to deal with this level of waste. Whilst it is the case that garden waste has made a useful contribution to improving levels of recycling, the Council could not continue with the previous 'free for all' arrangement, especially given that the garden waste will now be composted using in vessel technology (along with waste food) rather than the previous simpler open windrow arrangements. The law relating to waste collection places a statutory duty upon the Council to collect garden waste as ordinary household waste. However, the law also empowers the Council to levy a fee for this collection, as indeed many councils do.

7. Notwithstanding the above, the reduction of garden waste capacity will cause difficulties for some residents with particularly large gardens and where they are unable to make alternative arrangements for the management of that waste. There are two alternatives available for consideration, the provision of a larger 240 litre bin or a second 180 litre wheeled bin for food & garden waste

Both of these have consequences to consider.

Following adoption of the new service by Cabinet in January 2009, no 240 litre bins have been purchased for the food and garden waste service. If a larger bin was to be made available there is a considerable risk that the numbers required would be such that the Council would have to expend a considerable sum in procuring additional bins, which of course would also result in a large quantity of 180 litre bins becoming surplus to requirements and requiring long term storage.

The second option has potential operational consequences through the additional time required by the Council's contractor to pick up additional bins. However, it is recognised that on any one collection day it is rare for all residents' bins to be put out for collection and that there should therefore be some leeway before the contractor would be able to justify a claim for these additional collections. Furthermore, the new arrangements will result in some existing residents losing the garden waste service because of their properties being unsuitable for a wheeled bin based collection. The additional 180 litre also has advantages over the larger bin in that:

- (i) it avoids the 'swapping out' issues referred to above;
- (ii) if a garden is so large that additional capacity is justified, then the storage of a second bin should not present a difficulty;
- (iii) it provides flexible use of the existing stock of 180 litre bins, since only a lid change is required to use a bin for a different purpose; and
- (iv) the additional capacity will be significant, with effectively another 180 litres per week

8. The final point above does however raise a potential difficulty, depending upon the take up of the second wheeled bin. Sita have costed the new service on the basis of a single

180 litre bin. As stated above, it is considered that the costs of the additional collections should be offset in significant part through normal variations in the numbers of bins put out for collection. However, the service costs would also only have allowed for the collection vehicles to go to the transfer station once or twice per day. If the additional weight of garden waste collected through the second wheeled bin were to result in the number of visits to the transfer station increasing, then Sita would be faced with justifiable additional operating costs which the Council would have to compensate them for.

9. Cabinet therefore needs to be cognisant of these potential additional costs in the future. It is not being suggested at this time that the second wheeled bin should be a chargeable service, although the Council is entitled to make it so. It is however suggested that the situation be carefully monitored, and that any resident who avails themselves of a second wheeled bin is made aware that, at some point in the future, the Council may find it necessary to introduce a charge to cover the additional operational costs.

10. Policy document 7 has within it some proposed wording on the assumption that if Cabinet wish to provide additional capacity, they will do so through the additional wheeled bin route. The policy also makes reference to the need for an officer assessment before that additional capacity is provided.

11. With respect to the policy on flats & communal buildings, there are complex issues to sort through before a policy document can be brought forward. Since these premises are, by and large, unaffected by the new service, consideration of this policy can also be deferred.

Resource Implications:

There are no additional resource implications arising from this report and its recommendations; the implementation of the new service is fully funded through current and future continuing service budgets

Legal and Governance Implications:

The delivery of the waste service is predominantly implemented under the auspices of the Environmental Protection Act 1990 and its subsidiary regulations and guidance. The collection of household waste (as defined by the Controlled Waste Regulations 1992) is a statutory duty placed upon the Council. Schedule 2 of those regulations prescribe that garden waste is, inter alia, household waste for which a charge for collection may be made.

Safer, Cleaner and Greener Implications:

The development of the waste service is seen as a key element of the Council's Safer, Cleaner, Greener Strategy. The increase in recycling performance is also a key component of meeting the Council's obligations within the recently adopted Essex Joint Municipal Waste Management Strategy. Changes to the service will also assist the Council in meeting the criticisms contained within the Audit Commission's report on the waste service.

Consultation Undertaken:

Consultation on the new service provision undertaken through the Forester and on-line. Results presented as part of report to special Cabinet on 19 January 2009.

The draft policies were published in the Members' Bulletin with a request for comments. No comments were received.

The draft policies were published on the Council's website to enable residents to make

comments. No comments were received.

Background Papers:

Cabinet, 19 January 2009

Reports to Safer, Cleaner, Greener Standing Scrutiny Panel

Progress reports to Waste Management Partnership Board

Impact Assessments:

For the service to operate effectively and provide high levels of recycling, it is critical that policies are in place to ensure the most effective operation. Without the policies there is a risk that recyclates could become contaminated resulting in rejected loads going to landfill and the overall amount of waste collected increasing.

In providing new containers due regard is always given to the resident's ability to use them and to present them for collection. Assisted collections are available for those with disabilities or who are infirm.

The policies are designed to be fair to all groups within the community.

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7. Exception Policy



The purpose of this policy is to ensure compliance with Essex Joint Municipal Waste Management Strategy

The previous policies set out the core arrangements for the waste service and the exemptions to those policies. However, it is recognised that there may be circumstances where special arrangements or changes to the core collection arrangements are required.

General

Assisted collections will be made available to residents who, upon assessment, are deemed to be unable to use the core waste collection services without assistance from the Council or its contractor. Each case will be treated on its merits. Examples of issues requiring assisted collections include:

- disability
- age
- illness or infirmity (may require temporary arrangements)

Residual waste collection

(1) Any request received for a larger wheelie bin will be assessed against the following criteria:

- the size of the household
- the ages of any children in the household and whether any are in nappies
- whether **full use** is being made of the recycling services available.
- whether there are any medical factors affecting the amount of residual waste produced

(2) The Council reserves the right to review any grant of a larger wheelie bin and to replace it with the standard 180 litre wheelie bin should it be considered that household circumstances have changed

(3) All requests for a smaller wheelie bin will be granted

Food and garden waste recycling service

(1) The collection of garden waste is a chargeable service. The Council will collect, **free of charge**, any garden waste contained within the standard 180 litre wheelie bin provided for the food and garden recycling service.

(2) All requests for a smaller wheelie bin will be granted

(3) *Following an assessment by officers a second 180 litre food and garden waste wheelie bin will be provided upon request. The assessment will take into account factors including the following (this list is not exhaustive):*

- *whether the resident is able to, and is, making full use of all available options to compost or otherwise manage the amount of garden waste being produced*
- *whether the amount of food waste being recycled is such as to compromise the capacity available for garden waste*
- *the size of the garden or gardens*
- *whether, in all cases other than where an assisted collection is being provided in accordance with this policy, the garden waste is being produced wholly through the activities of the resident and that no garden waste is being produced through the resident employing a commercial gardening contractor*

Exception Policy (Cont.)



(4) *The collection of the second food & garden wheelie bin will **initially** be **free of charge** but the Council reserves the right to review this position at any time and further reserves the right to introduce a charge for this additional collection service*

(5) if a resident chooses to opt out of the garden waste collection service, they will be able to do so and a second wheelie bin **will not** be provided.

(6) where a resident has opted out of the garden waste element of the service, they **will be required** to participate in the food waste recycling service and will be provided with a kitchen and kerbside caddy.