

EPPING FOREST DISTRICT COUNCIL CABINET MINUTES

Committee: Cabinet **Date:** 19 January 2009

Place: Council Chamber, Civic Offices, High Street, Epping **Time:** 7.30 - 9.00 pm

Members Present: Mrs D Collins (Chairman), C Whitbread (Vice-Chairman), R Bassett, M Cohen, Mrs A Grigg, Mrs H Harding, Mrs M Sartin, D Stallan and Ms S Stavrou

Other Councillors: K Angold-Stephens, R Barrett, Mrs R Brookes, R Frankel, Mrs A Haigh, D Jacobs, Mrs C Pond, Mrs J H Whitehouse and J M Whitehouse

Apologies: None

Officers Present: P Haywood (Chief Executive), D Macnab (Deputy Chief Executive), I Willett (Assistant to the Chief Executive), J Gilbert (Director of Environment and Street Scene), R Palmer (Director of Finance and ICT), K Durrani (Assistant Director Technical Services), T Carne (Public Relations and Marketing Officer) and G J Woodhall (Democratic Services Officer)

Also in attendance: S Holgate and S Ostler (Sita UK)

129. DECLARATIONS OF INTEREST

There were no declarations of interest pursuant to the Council's Code of Member Conduct.

130. ANY OTHER BUSINESS

It was noted that there was no other urgent business for consideration by the Cabinet.

131. EXCLUSION OF PUBLIC AND PRESS

The Leader of the Council highlighted that the Local Government (Access to Information) (Variation) Order 2006 required the Council to consider whether maintaining the exemption listed below outweighed the potential public interest in disclosing the information. The meeting was reminded that any member who felt that this test should be applied to any currently exempted agenda items should have contacted the proper officer at least 24 hours prior to the commencement of the meeting.

RESOLVED:

That the public and press be excluded from the meeting for the items of business set out below on the grounds that they would involve the likely disclosure of exempt information as defined in the paragraphs of Part 1 of Schedule 12A of the Local Government Act 1972:

<u>Agenda Item</u>	<u>Subject</u>	<u>Exempt Information Paragraph Number</u>
5	Waste Management Service	3

132. WASTE MANAGEMENT SERVICE

The Environment Portfolio Holder presented a report regarding the waste management service, and in particular the issues of contract stability payments, service development and interim arrangements for the garden waste service. Revised recommendations had been tabled by the Portfolio Holder at the meeting for the Cabinet's consideration.

The Portfolio Holder stated that the issue of contract stability payments had arisen through the significant increase in the cost of fuel during the period January to November 2008 and the effects of that upon the financial performance of the contract. Sita UK had requested assistance from the Council in meeting the exceptional fuel costs and it was proposed to offer a one-off payment of £65,000 to be included as a District Development Fund item within the 2009/10 budget. In addition, the collection methodology for garden waste had been amended due to the increased amounts that had been collected and Sita UK had made a claim for funding deficit payments. Following negotiations with Officers, it was recommended that payments of £18,500 per month should be made to Sita UK from April 2009 until the introduction of the revised waste management service in the early autumn.

In response to questions from Members, the Portfolio Holder replied that the increase in fuel costs could not have been anticipated and that on the basis of the latest figures the Council was offering approximately half of the additional fuel costs incurred. The Director of Environment & Street Scene explained the indexation arrangements in place to determine the change in the contract price in November each year. If fuel prices were to reduce to their previous levels then the price of the contract would reduce accordingly. The Portfolio Holder added that these proposals were the result of discussions at the Waste Management Partnership Board on 13 January 2009 and that Sita UK would accept the proposals before the Cabinet if they were agreed.

Following the resolution of these issues, the two representatives from Sita UK were invited to join the meeting for the remainder of the discussion.

The Portfolio Holder reminded the Cabinet that, at its meeting in November 2008, it had received a report setting out core proposals for service change. At that time, the costs of the changes had not been fully developed and details of possible support funding from the County Council were awaited. These details were now available and a revised waste management service based upon an additional wheeled bin for garden waste plus kitchen and kerbside caddies for food waste had been proposed. In addition, there would be sacks for dry recyclables and a box for glass, but the biodegradable sacks currently used for green waste would be phased out of service. In the recent waste management consultation exercise, this option had been the most popular with over 35% of respondents in favour. The proposed revised waste management service had an estimated net annual cost of £668,170 for which Continuing Services Budget growth bids of £150,000 in 2009/10 and a further £150,000 in 2010/11 were sought. An additional £1.375million for the procurement of the necessary vehicles, plant and equipment would need to be included in the Capital Programme for 2009/10.

The Portfolio Holder observed that a wheeled bin would be easier to manoeuvre than a heavy sack, but assisted collections would be available. The Director of Environment & Street Scene added that the Kitchen Caddies had a capacity of seven litres and would be issued to every household within the District. Kerbside caddies would not be issued to everyone, but could be used for residents who would struggle with a second wheeled bin. Officers would assist those residents for whom a second wheeled bin was not manageable. The Portfolio Holder declared that no decision had been taken yet regarding separate nappy collections but it was intended to include flats in the revised service. Sita confirmed that it was their intention to collect food and green waste throughout the whole District.

The Portfolio Holder reiterated that it was the intention to remove the garden waste sacks completely from the waste management service. It was acknowledged that a second wheeled bin might have a detrimental effect on the street scene. Initially, 180 litre wheeled bins would be distributed, but there would be a facility for larger residences to apply for a 240 litre bin. Garden waste would be collected weekly, not fortnightly as at present, and the publicity arrangements for the new service were highlighted. It would be confirmed whether food contaminated cardboard would now be collected.

Sita explained to the Cabinet that usually at least 60% of households participated in food and green waste collection schemes, and as a rural affluent area, it was expected to exceed those figures within Epping Forest with good marketing. The Cabinet was also advised that composting would be encouraged when the new arrangements were implemented. The kerbside caddies were lockable and had been used throughout the country without problem. The Leader of the Council stated that it was imperative for the Council to reduce the total amount of waste it collected, and residents should be encouraged to compost more food and garden waste.

Finally, the Portfolio Holder advised that it would not be possible to introduce the proposed changes until the late summer at the earliest. Therefore, the existing arrangements for the collection of garden waste would have to remain in place for the majority of the summer growing season. It was suggested that the costs could be reduced by as much as £200,000 for the present arrangements through a reduction in the number of outlets providing the sacks, and also limiting the amount of sacks that could be collected at each outlet. There would be no delivery of sacks to residents and a list of the outlets would be published in the Council Bulletin. It was acknowledged that good publicity would be required to explain to residents the reasons for these measures. The Cabinet were informed that the availability of the wheeled bins would determine how quickly the revised service could be implemented.

Decision:

- (1) That, at the request of Sita, a one-off payment in the sum of £65,000 be offered to Sita to assist in meeting exceptional fuel costs during 2008;
- (2) That this cost be included as District Development Fund expenditure within the 2009/10 budget;
- (3) That, in order to reflect changes to the tendered service, Sita's claim for funding deficit payments in the sum of £40,167 per month be agreed at £18,500 per month from April 2009 until the introduction of the revised Waste Management Service;

- (4) That, following the public consultation, implementation of the first option for the revised Waste Management Service be agreed;
- (5) That the revised Waste Management Service be commenced as soon as practically possible in 2009, at an estimated cost of £668,170 per annum;
- (6) That Continuing Services Budget growth bids in the sum of £150,000 for 2009/10 and 2010/11 be made;
- (7) That provision for the procurement of the required vehicles, plant and equipment in the sum of £1,375,000 be included in the Capital Programme for 2009/10; and
- (8) That no charge be implemented for garden waste sacks but the availability of garden waste and dry recycling sacks throughout the District be urgently reviewed.

Reasons for Decision:

Dealing with the financial performance of the contract was critical to its future and would ensure that future service developments could be effectively introduced and maintained. Whilst the Council was not under a contractual duty to assist with fuel payments, it might be helpful to provide some assistance as part of the overall package of financial changes, which would need to be considered as part of contract negotiations.

Kitchen waste made up a significant component of the waste stream, and its removal was important in reducing the amount of biodegradable waste consigned to landfill. This importance was recognised by the County Council (as the Waste Disposal Authority) who had offered to meet a significant part of the costs of the new service

The costs of the garden waste service were very high, due to the amount of material collected and the costs of the required biodegradable sacks used for its collection. Costs in 2008/09 had approached £500,000. With the introduction of a wheeled bin for commingled kitchen and garden waste as part of the new service, early steps to constrain the amount of garden waste put out for collection, alongside information on other initiatives such as home composting, would be helpful for residents.

Other Options Considered and Rejected:

- To not make any contract stability or fuel cost payments or to reduce the recommended amounts.
- To select either option two or three to the one recommended for the revised service or to retain the existing arrangements.
- To introduce an interim charge for the garden waste service whereby each household would be provided with one free roll of sacks with the provision of further sacks charged for.

CHAIRMAN