

Report to the Cabinet

Report reference: C-nnn-2008/09
Date of meeting: 15 December 2009



Portfolio: Environmental Protection

Subject: Inter Authority Agreements – Waste Service Development Plan

Responsible Officer: J Gilbert (01992 564062)
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Recommendations/Decisions Required:

To agree the first stage Service Development Plan as set out in appendix xx

Executive Summary:

The production of a Waste Service Development plan (SDP) is a key stage in the development of the Inter Authority Agreements (IAA) between the Waste Collection Authorities (WCAs - the districts and boroughs) and the Essex County Council (the Waste Disposal Authority - WDA). The SDP is required to set out the base position and the aspirational position looking forward, and is intended to set out, for the next 25 to 30 years, what the WCAs intend to collect, how they intend to collect it and where they intend to take it for treatment and/or disposal

On the basis of the agreed SDP the County Council will require the WCAs to enter into binding Inter Authority Agreements (IAA) so that the County is able to procure, through its PFI process, the infrastructure required to deliver the targets and aspirations of the Essex Joint Municipal Waste Management Strategy. The IAA will also potentially provide for the County Council to support the collection arrangements of the WCAs through capital and revenue financial support. A decision on the IAA will be brought to Cabinet probably at its February 2009 meeting.

The final content of the SDP is not yet clear, with the WCAs legal advisors currently in discussions with the County Council. However, at this stage, an agreement in principle is required to enable the timetable for the IAA to be met.

This is a key decision

NIs etc to follow

Reasons for Proposed Decision:

For Cabinet to agree the Service Development Plan thereby enabling the next stage of considering the Inter Authority Agreements to follow early in 2009. This will provide the Council with access to Essex County capital and revenue funding in support of any changes it needs to make to its collection arrangements.

Other Options for Action:

The only alternative at this stage is not to produce and agree the SDP and therefore to effectively preclude the Council from entering into the IAA. This in turn will most likely result in County Council funding not being made available to support this Council's collection developments. Since the SDP is effectively required as part of this Council's service planning processes, there is no reason not to proceed and to maintain the possibility of external funding in due course. Therefore, a rejection of the SDP cannot be supported at this time.

Report:

1. As part of the Essex Waste Partnership, this Council has, along with the other districts and boroughs, been working with the County Council in developing a Joint Municipal Waste Management Strategy (JMWMS) and a PFI procurement exercise for waste management infrastructure. The first stage of this complex exercise was completed in September 2008, when the Council formally adopted the JMWMS.
2. The JMWMS has a number of targets within it including attaining:
 - (a) 40% recycling by 2011;
 - (b) 45% recycling by 2015;
 - (c) an aspirational recycling target of 60% by 2020; and
 - (d) reductions in household waste generally
3. The County Council has recognised that for these targets to be achieved, the WCAs will need to make significant investments in their collection infrastructure. In the report to Cabinet at its meeting on the 10th of November, details of the nature and possible scale of that investment was set out, along with the potential for ECC funding support. Since that support was as yet unclear, Cabinet resolved to defer its own future investment decision to a future meeting.
4. Paragraph 18 of that same report also made reference to this possible funding being made available through an Inter Authority Agreements (IAA) and that this would be coming forward to Cabinet for consideration in early 2009. A key element of the IAA process and the securing of funding is the submission to County of a Service Development plan (SDP). The SDP is required at two levels, the base position and the aspirational position looking forward, and is intended to set out, for the next 25 to 30 years, what the WCAs intend to collect, how they intend to collect it and where they intend to take it for treatment and/or disposal
5. This Council's recycling performance is already one of the highest in the County (3rd behind Braintree & Uttlesford in 2007/08). We already collect a wide range of materials, and, with the exception of extending the core recycling services into flats etc, the only service development remaining is the collection of kitchen waste and the associated withdrawal of the summer weekly residual collections.
6. Officers have produced a draft SDP for consideration informally by the County. This is attached as appendix xx. This SDP was considered at a meeting with the County on the 18th of November and it does appear that the County will be prepared to make a significant contribution to the delivery of the service changes which are required. The County are aware that the Council has yet to select its preferred option for the revised service, but it is likely that the County will make a "cost limited" offer which will be limited by the availability of funding rather than the actual option selected. The County will however wish to be assured that the options under consideration will deliver significant additional performance. A verbal update will be provided at the meeting if further information on the likely County offer is available.
7. The SDP will become part of the IAA due to be considered next year. The IAA is currently being assessed by the WCA's legal advisors (Sharpe Pritchard). Whilst this may

result in some changes to the final format and content, it is important that this “first stage” SDP be agreed at this time, so that the overall timeframe for the IAA and the PFI itself is not compromised. Any required amendments can be dealt with at the same time as the final IAA is considered, probably in February 2009.

Resource Implications:

8. There are no additional resource implications arising from the adoption of the SDP, other than those already identified for the future development of the waste service which were set out in the report to Cabinet on the 10th of November 2008. The adoption of the SDP will enable the Council to continue to seek County Council revenue and capital support for that service development. Any significant contribution by the County will assist this Council in reducing CSB expenditure pressures.

9. County funding will be conditional on the Council entering into and signing an Inter Authority Agreement. This will be a legally binding document and will remain in place for the next 25 years.

Legal and Governance Implications:

The provision of the waste service is statutorily required under, amongst other pieces of related legislation, the Environmental Protection Act 1990. The Inter Authority Agreement, if signed, will be a legally binding document between the Council and the County Council for a period of at least 25 years. Legal advisors have been appointed to provide support to the waste collection authorities to ensure a full understanding of the consequences of signing the IAA. Meetings have been held and the meeting will be updated with the position through a verbal report. A decision on the IAA will be required at the February 2009 Cabinet.

Safer, Cleaner and Greener Implications:

The delivery of an effective waste management service is a key component of the Council’s “Safer, Cleaner, Greener” strategy. There is a requirement upon the Council to increase the recycling and diversion of waste and to reduce the volume of waste destined for landfill. The potential for ECC support funding will enable the Council to manage this service development more effectively

Consultation Undertaken:

None specifically, although the SDPs and IAA are subject to regular discussions between the Essex WCAs and the Essex County Council

Background Papers:

Previous reports to Cabinet, and specifically 10 November 2008

Impact Assessments:

Failure to adopt the SDP will result in the inability to secure ECC support funding placing an additional financial commitment upon the Council’s budget in taking forward the necessary service developments

A lack of support funding may constrain the nature of the service development and adversely affect the future costs and performance of the waste service