

APPENDIX C

WAVERLEY BOROUGH COUNCIL

EXECUTIVE - 20TH MAY 2008

Title:

WASTE MANAGEMENT – JOINT WORKING

**[Portfolio Holder: Cllr J Sandy]
[Wards Affected: All]**

Summary and purpose:

This report describes current partnership working on waste management issues and seeks approvals for continuing these projects. In particular, approval is sought for:

1. Signing the 'Memorandum of Understanding for the Implementation of the Joint Municipal Waste Management Strategy'. The memorandum is an operational document. It is not a formal or legally binding contract. It sets out the way that all the Surrey authorities will work together on waste management; and
2. Contributing 50% of the anticipated Performance Reward Grant payment arising from the Glass Recycling LPSA project to an emerging programme of joint working.

In addition, the report provides a brief update on:

- Existing joint working projects;
- Waste targets in the emerging Local Area Agreement; and
- The Government consultation [DEFRA] on the proposed power to set up a Joint Waste Authority.

Environmental implications:

The management of waste has considerable implications for the environment. The impacts are felt both locally [eg in terms of waste collection and recycling from individual households and the quality of the street scene] through to longer term global issues such as climate change [eg as influenced by the gases generated by landfill practices].

The purpose of the report is to foster and continue joint working on the management of waste. This is intended to improve the longer term efficiency and effectiveness of this activity, with both environmental and economic benefits.

Social / community implications:

Whilst technological and managerial advances are influential in improving performance in this sector, the importance of individual and household behaviour should not be underestimated. The support of the local community is vital in driving through changes in practice – especially those that involve citizens and local businesses in changing how they recycle and dispose of their waste.

A critical component of future joint working is about information and communication with local communities to encourage the embedding of changing practices within personal lifestyles and business practices.

E-Government implications:

Information and communication is an important element of future joint working. E-government channels are not the sole route because personal contact and explanation also play their part in encouraging behaviour change. However the use of the Council's website will be an important constant channel of information to supplement newsletters, meetings and other events.

Resource and legal implications:

The central theme of this report is partnership working. Efficient and effective waste management is dependent on close co-operation between the waste collection authorities [such as Waverley] and Surrey County Council as the waste disposal authority. There is a wide range of waste recycling and collection activity in the county. Closer co-operation and co-ordination should lead to reduced costs and improved quality for all authorities through economies of scale.

Investment is critical to this activity. Government funding support via the WRAP programme is being withdrawn. The Surrey partnership is therefore seeking new lines of funding. The pooling of an anticipated reward grant for glass recycling provides a relevant and timely solution.

Background

1. Current partnership working on waste is channelled through the Surrey Joint Municipal Waste Management Strategy [JMWMS]. This is overseen by a Member Advisory Board, drawn from all the Surrey authorities. This in turn reports directly into the Surrey Local Government Association [SLGA]. The following items come to the Executive with the support of that Advisory Board.

Memorandum of Understanding

2. The document attempts to clarify and document how the Surrey authorities will work together on waste management issues. A copy is attached at Annexe 1.
3. The Memorandum is an operational document and not a formal binding contract. It attempts to define how the Surrey Waste Partnership will operate. Much of the described activity is already in place and being followed. In summary, it describes in its Key Principles how partners will:
 1. Implement the Joint Strategy [JMWMS]
 2. Benefit the Council Tax payer
 3. Work together on common issues
 4. Monitor effectiveness of actions
 5. Treat other
 6. Share workload

7. Promote the benefits of working together
 8. Inform and communicate
 9. Share information on new initiatives and provide advance information before letting new contracts – to facilitate joint working.
4. The Memorandum does not constitute new policy as such. It represents an attempt to maximise the implementation of projects and working identified in the JMWMS. Whilst current experience suggests that partnership working has been patchy so far, the apparent intentions of all the authorities are supportive. It is recommended that Waverley support this initiative and sign the Memorandum.

Funding of Future Projects

5. Past Partnership projects and joint working has been funded through Government support, primarily through the Waste and Resources Action Programme [WRAP]. This is now no longer generally available. So alternative funding streams need to be sought to sustain investment in joint working.
6. A potential source is the pooling of the Performance Reward Grant (PRG) payment arising from the Surrey-wide Glass Recycling LPSA Project. The PRG is yet to be finally determined as the final glass recycling figures up to and including 31 March 2008 are still being compiled for submission. If, for any reason, the weight of glass recycled is less than the target, there will be a revised PRG settlement - as yet unknown. For the purposes of calculating the potential money available, it has been assumed that the target will be achieved. Current projections suggest this to be the case.
7. The anticipated total reward grant is just under £2.1m. This is to be divided 12 ways equally between all the Surrey Authorities – resulting in approximately £174,000 per authority.
8. A 50% pooling of the PRG would provide a pot of £1,047,702 which would be sufficient to support a viable stream of projects. At the time of preparing this report, it remains unclear as to when any Performance Reward Grant (PRG) that is earned will be paid to the banker, Surrey County Council. In their considered view, it seems unlikely that any PRG will be received from Government until late in 2008-09 or even early in 2009-10. However a programme can be scheduled accordingly.
9. A possible list of Projects has been drawn up and is summarised below:

| Project Theme | Approximate Cost | Initial Priority |
|-------------------------------------------|-------------------------|-------------------------|
| Surreywaste.info web site | £12k over 3 years | High |
| Members Updating | £45k over 3 years | Medium |
| Project Management Support | £120k over 3 years | Medium |
| 3R's in Surrey (Waste Reduction) | £375k over 3 years | High |
| Schools Waste Education (Waste Reduction) | £70k over 3 years | High |
| Community Furniture reuse project | £300k over 3 years | High |

| | | |
|-------------------------------------------|---------------------------------|--------|
| Joint Working and Efficiencies | £30k | High |
| Waste Composition Analysis | £275k in 2010-11 | High |
| Composting Project | £100k over 2 years from 2009/10 | Medium |
| Business Waste Minimisation and Recycling | £180k over 3 years | High |

10. The proposed projects have been developed to target waste management activities that are further up the waste hierarchy subscribed to by all of the Surrey Authorities through the adoption of the JMWMS. Waste Reduction and prevention provides the principal theme. This is because besides the organic kitchen waste fraction, there is little else remaining in the household waste stream that can be economically recycled even if a market exists for that product e.g. polystyrene packaging such as the hard type used by margarine and butter producers.
11. Rather than focus on these items, it is recommended by the Partnership that more work needs to be undertaken to influence behaviours and attitudes of residents to the production of waste. The potential benefit of adopting this approach is that waste will be prevented from entering the waste stream and by doing so, the proportion of waste recycled from a diminishing production per household becomes greater. This would provide a win-win scenario for the Council Tax Payer as well as the Surrey Authorities as there would be little further costs of collection incurred other than contract uplifts, an increase in landfill diversion and an increase in the proportion of material recycled. This would help the Surrey authorities to achieve the 2010 targets of: a) recycling 40% of the household waste; and b) meeting the EU Landfill Directive target of reducing the amount of bio-degradable waste going to landfill to 75% of the 1995 levels.
12. The activity of project management support is covered by one of the proposed project briefs. This has been given a medium priority level principally because post 31 May 2008, the current funding runs out. At the moment there is no obvious source of funding to continue to support this function. It has been acknowledged that this support has been very effective in supporting both the Member and Officer Advisory Boards in addition to keeping the management of all of the LAA funded waste projects on track. In an effort to secure alternative funding, the Partnership have submitted a bid for Programme Management support to the South-East Centre for Excellence (SECE).
13. Further development of these projects and the eventual mix of the programme will be dependent on knowing the level of funds available. Consequently, Surrey authorities are being asked by the Partnership to signify their support for the approach. The programme will also support the emerging Local Area Agreement – where waste is one of the targets identified as a Surrey priority [NI192]. These priorities also have a reward element. However Government have not yet announced what the reward levels are likely to be.
14. Your officers are in support of both the principle of pooling the Reward Grant and also the suggested underlying theme of the future projects.

15. Assuming the Reward Grant is fully realised, Waverley would be entitled to approximately £174,000. If Members support the recommended pooling, this would leave approximately £87,000 for local waste initiatives. Officers could report back to a future meeting on proposals.

Current Partnership Projects

16. Under the existing Local Area Agreement [Sustainable Lifestyles – Waste] a wide range of projects have been rolled out across the County. Some are being carried out by individual authorities, others are being undertaken as joint projects. An example of the latter is Kitchen Waste, which is described in a separate report to the Executive.
17. Waverley is currently progressing projects on:
- Improving recycling from schools
 - Improving green waste recycling
 - Improving the ‘bring sites’ – especially for cardboard
 - Difficult to Recycle items – eg dry-cell batteries and textiles [this is a joint project with Tandridge]

All are on schedule. The Portfolio Holder is intending to write to all Councillors with further details on current progress.

Local Area Agreement 2008/11

18. Surrey CC have recently submitted the draft LAA for negotiation with the Government Office. Within the Environment, Infrastructure and Housing theme the Surrey Strategic Partnership [SSP] are proposing 5 priority National Indicators. One of these is for waste - ie NI192. In summary, this relates to the percentage of household waste that is recycled and composted *within the County as a whole*. The draft targets are taken from the JMWMS and are:

| Year | % waste recycled and composted [NI192] |
|---------|----------------------------------------|
| 2008/09 | 36 |
| 2009/10 | 38 |
| 2010/11 | 40 |

19. As stated, these are for the County as a whole and currently, performance is mixed – not all authorities are at the same level. However this target was chosen because of its importance to the JMWMS and to help drive progress.
20. The Government’s proposals for reward for meeting priority targets have not yet been announced. They are not expected however to be as substantial for those associated with the earlier LPSA.

Joint Waste Authorities

21. Partnerships can operate at different levels. They can range from the simple co-ordination of activity where each partner pursues their own agenda, through to formal contractual joint working.

22. Whilst the experience in Surrey so far has been at the 'simpler' end of the range there are more formal arrangements emerging elsewhere. Examples include:

Somerset

Became the first countywide area to set up a formal joint committee of all the authorities in the County in October 2007 - to combine decision-making on waste collection, recycling and disposal.

Oxfordshire

2 districts procuring a joint collection contract in 2009.

Also introduced an innovative waste minimisation credit and penalty system based on use of recycling credits

- Additional credit paid to districts by county for keeping waste below residual waste target
- Penalty paid by districts to county for going above the target
- Benefits include:
 - Means county and districts have shared financial stake in reducing waste going to landfill
 - Improves cost sharing between partners without attempting full budget merger
 - Avoids perverse incentives to recycle at expense of reduction (lawnmower chasing!)

23. In order to facilitate 'deeper' joint working DEFRA are currently consulting on a proposal to introduce a legal power to set up Joint Waste Authorities. The key advantage of joint waste authorities over other partnership models is that they will have corporate body status. This allows them to employ their own staff and enter into contracts in their own right (on behalf of member authorities), thus removing the need for one constituent authority to act as an 'administering' or 'contracting' authority and taking responsibility for all the liabilities and legal risks associated with that. They will be statutory bodies, recognised by the Secretary of State. Established by Order they can only be dissolved in limited circumstances thus giving them a structural stability that will appeal to the waste management industry and potential investors. Joint waste authorities will also be 'named partners' in the local government performance framework giving them a statutory role in the negotiation and delivery of LAAs.

24. The JMWMS Advisory Board are proposing to prepare a joint response on behalf of Surrey Authorities.

Resource Implications

25. The issues discussed in this report relate to improving partnership working in Surrey with the intention of improving service efficiencies and effectiveness.

26. The only specific financial issue is the proposal for LPSA reward grant to be allocated to:

50% [approx £87,000] for joint working initiatives ; and

50% [approx £87,000] to be used for local recycling project[s]

27. This would not have a negative impact on the 2008/9 Revenue Budget.

Conclusion

28. Improved partnership working is essential for delivering on the more challenging recycling and waste targets. This report describes two initiatives that are recommended for support and provides an update on related matters.

Recommendation

It is recommended that:

1. Waverley Borough Council support and become a signatory to the proposed Memorandum of Understanding for the implementation of the Surrey Joint Municipal Waste Management Strategy; and
2. JMWMS Advisory Board be informed that Waverley will agree to 50% of its anticipated Glass Recycling LPSA Reward Grant to be committed to further partnership projects; and
3. Officers be requested to report further on the potential use of the remaining 50% of the Reward Grant.

Background Papers (DoE)

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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Annexe 1

Memorandum of Understanding for the Implementation of the Joint Municipal Waste Management Strategy - Surrey Waste Partnership

Authorities represented

Elmbridge BC
Epsom and Ewell BC
Guildford BC
Mole Valley DC
Reigate and Banstead BC
Runnymede BC
Spelthorne BC
Surrey Heath DC
Surrey CC
Tandridge DC
Waverley BC
Woking BC

1. Purpose of this Memorandum of Understanding

The purpose of this Memorandum of Understanding (referred to in the remainder of this document as The Memorandum) is to: -

- (a) set out in simple, non legalistic, terms the way that the partners to The Memorandum will work together on waste management issues
- (b) clarify and record the responsibilities of the partners to The Memorandum individually and collectively, including to each other
- (c) establish guidelines and objectives for taking joint working forward in order to deliver the agreed Joint Municipal Waste Management Strategy (JMWMS) within the budget and parameters approved by each of the Partners through the adoption of the Strategy and the Action Plans.

2. Who are the partners to the Memorandum?

The partners to The Memorandum (referred to in the remainder of this document as The Partners) are:-,Elmbridge Borough Council, Epsom and Ewell Borough Council, Guildford Borough Council, Mole Valley District Council, Reigate and Banstead Borough Council, Runnymede Borough Council, Spelthorne Borough Council, Surrey County Council, Surrey Heath District Council, Tandridge District Council, Waverley Borough Council, Woking Borough Council

3. Status of the Memorandum and the partnership

3.1 The Memorandum is an operational document. It is not a formal or legally binding contract.

3.2 The Partners, individually and collectively, have (by signing The Memorandum) agreed to use all reasonable endeavours to comply with the terms and spirit of The Memorandum. They will not be obliged to undertake expenditure without that being agreed by them as individual partners except where they each agree to commit funding of a specific amount (one-off or annually) to be pooled so as to be expended as determined by agreement of The Partnership.

3.3 The Partnership is not a legal entity. Accordingly, it cannot employ staff or enter into a contract(s) in its own right. In those respects it will act through an agent - normally one of The Partners.

3.4 The Partnership has no delegated or Executive Powers. With the exception of deciding expenditure from any pooled budgets referred to in paragraph 3.2 above – no decision shall be reached in matters affecting individual councils without the decision being referred to the constituent councils.

3.5 The partnership will be managed by a Member's Group under the auspices of the Surrey Local Government Association (see section 6 below) and will report on progress to it, normally at the Association's regular meetings.

4. Key principles

4.1 The Partners, individually and collectively, have (by signing The Memorandum) agreed the following key principles to guide the activities of The Partnership:-

- (a) Actions and decisions as to what to recommend should reflect what is in line with the objectives of the Joint Municipal Waste Management Strategy;
- (b) Actions and decisions should be made in the best interests of all Council Tax payers, recognising the implications for individual Partners within the geographical area of Surrey, and taking into account what is fair and equitable for each Partner;
- (c) For financial, efficiency, effectiveness and economies of scale purposes The Partners accept the need to work together, on the development of waste disposal, waste collection and waste minimisation and re-use/recycling strategies in line with the JMWMS and statutory duties;
- (d) The Partners will collectively monitor the effectiveness of the strategy and collectively review the options for the future delivery of services to meet the aims and objectives of the strategy;
- (e) The Partners will work together in a spirit of mutual trust, support and respect;
- (f) The Partners will share in a fair and equitable manner the costs and work involved in achieving the key principles and the objectives, subject to 3.4;
- (g) The Partners will be bound by the principles of Best Value and maximise the opportunities to promote environmental, social and economic well being in all matters related to waste/resource management and develop and support the inclusion of agreed proposals in Local Area Agreements and resulting strategies;
- (h) The partnership should provide, where appropriate, media briefing and that the chair of the members group should be the spokesperson;
- (i) The Partners agree that before letting any future contracts relating to waste collection/disposal and/or recycling sharing of information take place with other Partners takes place, to maximise opportunities, consistent with statutory responsibilities, for efficiency gains.

5 The Objectives of The Partnership are as follows:-

5.1 To enable The Partners to work together to manage waste within Surrey in the most efficient, effective, economical and sustainable manner.

5.2 To endeavour fully to engage all Partner Authorities.

5.3 To examine the different options for working together on waste management.

5.4 To develop a long term vision and influence long term planning needs for waste as a resource in Surrey.

5.5 To monitor the implementation and effectiveness of the Joint Municipal Waste Management Strategy for Surrey [which has been formally adopted by each Partner].

5.6 To investigate and encourage future partnership opportunities/agreements for minimisation and reuse services, municipal waste collection, recycling and disposal, whilst respecting and understanding local choice and service arrangements.

5.7 To increase awareness of waste as a resource and to interact with other stakeholders to promote waste minimisation and achieve an economically, environmentally and socially sustainable waste programme of gaining value from waste.

5.8 To work with other bodies who are in pursuit of developing, supporting and influencing the future direction of sustainable waste/resource management.

5.9 To develop a countywide evaluation on the relative merits of kerbside segregation and co-mingled collection of dry recyclables, which take into account customer service, collection costs and markets for recyclables

5.10 To evaluate the effectiveness of the partnership and in due course recommend any changes which could lead to improvements.

6. Membership and voting

6.1 Borough and District Council partners will each appoint one elected Member to serve on The Partnership (called Partnership Members); and Surrey County Council will appoint three Members. Appointments will be made annually and confirmed at the Annual Meeting. Each Council will determine its representation although consistency of membership is encouraged. Substitutes will be permitted

6.2. Partnership members shall normally be the portfolio holder (or equivalent) for waste issues.

6.3 The aim will be to reach agreement by consensus. However when a decision is to be taken by voting each Partnership Member shall have one vote (Surrey CC which with 3 members has 3 votes). There will be no casting vote. If there is an equality of voting on an issue that matter shall be deferred and considered again at the next meeting (which may be a special meeting convened especially for the purpose of reconsidering the matter concerned).

6.4 Voting will be by show of hands.

7. Chairman and Vice chairman

7.1 The Partnership shall at its annual meeting appoint from among its Partnership Members a Chairman and a Vice-Chairman.

7.2 The Chairman and Vice-Chairman will be from different Partner Councils and will be appointed for a two year term of office.

8. Meetings

8.1 Meetings will normally be held quarterly hosted by one of the partners although additional meetings may be held if the chairman and vice chairman agree this is necessary. The first meeting after the council elections each year will be the Annual Meeting.

8.2 Meetings will not be open to the public but non-Members of The Partnership may attend by invitation.

8.3 A special meeting shall be held if called by either the Chairman or by at least 50% of The Partner Councils requesting in writing (to the Surrey Local Government Association Secretary) such a meeting.

8.4 The quorum for a meeting shall be five, at least one of whom must be from Surrey County Council.

8.5 The notice and agenda for each meeting should normally be sent out at least five working days prior to the day of the meeting.

9. Senior officer group/project officer

9.1 The Partnership shall be supported by a Senior Waste Officers Group (SWOG) consisting of one Lead Officer responsible for waste in each Partner Council.

9.2 SWOG will prepare reports and recommendations for consideration by The Partnership.

9.3 The Chair and Vice-Chair of SWOG shall be elected bi-annually from the group

9.4 For the avoidance of doubt membership of SWOG may vary at the discretion of each Partner as appropriate to the topic or issue being considered.

9.5 Officers of each Partner shall be responsible for implementing Partnership decisions (once adopted by all Partners) and SWOG shall monitor the implementation of those decisions.

9.6 SWOG may agree to the setting up of other Officer working groups to discuss and take forward any particular issues with particular emphasis on Joint Working. Such working groups will be accountable to The Partnership through SWOG.

9.7 The Partnership may appoint (a Project Officer and/or use of Consultants, to advance the aims and objectives of the Partnership. Such an officer will be employed by one authority on behalf of the partnership and paid for from funding provided jointly by the partners. The work programme for the Project Officer and/or use of Consultants will be determined by the Partnership and monitored by The Partnership and SWOG.

10. Business plan

10.1 The Partnership shall consider, develop and approve a five (*or three*)-year rolling Business Plan with an annual Action Plan with SMART (specific, measurable, achievable, realistic and timeband) targets with named lead authority/Officer responsibilities for delivery.

10.2 The Draft Annual Action Plan shall be prepared and agreed by 30th September each year for further consideration by each Partner and shall be finalized by the following 31st March.

11. Dispute resolution

11.1 In the event of a dispute which cannot be resolved by The Partnership the matter concerned will be referred to a meeting of the Surrey Local Government Association

12. Duration

12.1 The arrangements set out in this Memorandum of Understanding will remain in operation until any future Joint Decision Making Body is established. They may, however, be varied by agreement of all The Partners.

12.2 Any Partner may withdraw from The Partnership by giving not less than three months notice in writing but not before such a proposal has been considered by The Partnership and the withdrawal shall not take effect until the following 31st March.

This Memorandum of Understanding is agreed by the following: - PARTNER
SIGNED

Comms/exec/2008-09/014