

RIBBLE VALLEY BOROUGH COUNCIL REPORT TO COMMUNITY SERVICES COMMITTEE

Agenda Item No.

meeting date: 16th MAY, 2017
title: MEETING WITH LANCASHIRE COUNTY COUNCIL
- WASTE MANAGEMENT BEYOND 2018
Author and submitted by: JOHN HEAP, DIRECTOR OF COMMUNITY SERVICES

1 PURPOSE

- 1.1 To report to committee on a meeting with Lancashire County Council's Director of Community Services, and the Head of Service (Waste Management) that took place on 4 April 2017.
- 1.2 Relevance to the Council's ambitions and priorities:
- Council Ambitions - none
 - Community Objectives – To increase the recycling of waste material
 - Corporate Priorities - To be a well-managed Council, providing efficient services based on identified customer needs.
 - Other Considerations – To protect and enhance the environmental quality of our area.

2 BACKGROUND

- 2.1 Lancashire County Council (LCC) have advised the 12 district councils that are the Waste Collection Authorities (WCAs) that the current funding arrangements that support recycling services will be withdrawn from April 2018.
- 2.2 The existing arrangements – commonly known as Cost Sharing – were created to replace statutory payments of recycling credits to WCAs by LCC as the Waste Disposal Authority (WDA).
- 2.3 Recycling Credits were created by statute when the government recognised that, in order to help residents to recycle more waste, collection systems must become more elaborate (and costly for WCAs) than previously.
- 2.4 At the same time, government recognised that improved performance in recycling leads to a reduction in waste going to landfill, with commensurate savings for WDAs.
- 2.5 Committee will be familiar with the impact on this authority that we anticipate when the WDA withdraws funding next April. For Ribble Valley, the annual loss is anticipated to be £430,000.
- 2.6 In order to be ready to mitigate that loss by identifying measures that might deliver savings, committee has considered a series of topic reports since August last year.
- 2.7 Whilst the other districts in Lancashire have not followed the same process exactly, the concerns that we feel are shared, and in other districts the sums of money involved are significantly greater.

- 2.8 Consequently, at the meeting of the Lancashire Waste Management Partnership, held on 26 October 2016, the districts submitted an agreed series of questions of common concern for consideration by LCC (Appendix A). It was requested that a response be given to each WCA within 3 weeks.
- 2.9 After some weeks' delay, it was explained to the District Waste Management Officers that LCC officers felt it more appropriate to meet with each District individually. Subsequently, invitations were sent out to each District's Chief Executive, inviting him/her to meet with LCC's Director of Community Services.

3 ISSUES

- 3.1 After a discussion in a meeting of the Corporate Management Team, it was agreed that it would be more appropriate for the Director of Community Services to attend the meeting on behalf of the Council, rather than the Chief Executive.
- 3.2 Consequently, I wrote to make arrangements to meet Phil Barrett, LCC's Director of Community Services, on 13 March 2017.
- 3.3 In my request for the meeting, I included the following:

'In addition to the questions as agreed between the Districts, I would like to discuss the particular circumstances around the Waste Transfer facility constructed on our depot site at Salthill. No formal contract has ever been entered into between our respective councils and, in light of a number of changes to the circumstances surrounding the agreement that have been introduced – unilaterally – by the County Council, the provisions of the agreed Heads of Terms, clearly, are no longer applicable. At a meeting of this Council's Community Services Committee last night, I was asked by committee to pursue with LCC the question of whether we are to mothball the facility (and what service will be provided in its place) or, alternatively, to pass back to the County Council responsibility for the operation of the facility, as this is really a waste disposal function.'

Given that RVBC stands to lose £430,000 from its annual income from next April – representing almost 33% of our net expenditure on refuse collection, recycling, and waste transfer – committee is in the middle of a comprehensive review of our operations with a clear objective of bridging that funding gap from April next year by taking some harsh decisions around redesigned/reduced services. I do hope that, by answering the shared concerns that were raised by Waste Officers last October, the County Council will provide a clearer picture of how you see your obligations as Disposal Authority being met from next year.'

- 3.4 I met with Phil Barrett and with LCC's Head of Service (Waste Management), Steve Scott, at County Hall, on 4 April 2017 for approximately one hour.
- 3.5 Rather than going through the questions compiled by Waste Management Officers, LCC's representatives preferred to discuss – in broader terms – the challenges we face in Ribble Valley from next year. Below is a summary of topics covered:
- LCC have no funds available ('no cash in the pot')
 - LCC are looking to introduce major changes in 2025 (end of the current landfill contract)
 - LCC are looking at Energy From Waste for the future (either 1 x 300kT plant, or 3 x 100kT plants if contingency provision is needed)
 - They were interested in RVBC's options considered so far, and:
 - urged that RVBC should charge for green waste, and
 - queried why RVBC does not just reduce frequency of collection
 - LCC view the major opportunity lying in a restructure of the service across the county

- Having met individual districts, LCC understand now that one size doesn't fit all
- LCC have a problem with the (recyclate) markets – only paper and card has any value, and they have to pay gate fees for the rest
- LCC has to find £120m savings – there is nothing in the pot
- There will be no payments made to districts after next April
- There is no room for a change in direction if the administration changes in May – there is no cash
- LCC will include RVBC in their thinking for any new arrangements in East Lancashire (it appeared that no account had been taken in their planning of our ceasing the operation of the Transfer Station)

4 RISK ASSESSMENT

The approval of this report may have the following implications

- Resources – None arising directly from this report, although it is known that the Council will lose £430,000 annual income from next April.
- Technical, Environmental and Legal – None arising as a direct result of this report.
- Political – None at the time of writing
- Reputation – None at the time of writing

5 CONCLUSIONS

- 5.1 Although the questions posed by Waste Management Officers were not addressed specifically, the impression given was that LCC expect their arrangement with RVBC to continue in its present form – but without payments being made.
- 5.2 Indeed, the WDA would prefer further segregation of waste, with food waste being collected separately, and it was noted that those authorities that have moved on to three-weekly collections have been able to introduce this service.
- 5.3 It was made very clear that the financial problems that LCC are facing are driving their policies in relation to waste management. However, it was not clear whether LCC have evaluated fully the possible effects of their decisions. (For example, the cessation of funding WCAs removes the ability to punish contamination of the recyclate. With no incentive to ensure low levels of contamination, WCAs might opt to reduce their own monitoring/enforcement in order to generate savings. Over time, this might be expected to lead to poor quality recyclate, more rejections by the markets, and increased disposal costs.)
- 5.4 LCC are aware that Committee is in the process of considering a suite of reports on various aspects of our refuse collection and recycling services. They have been advised that it is the intention of Committee to use these reports to inform a debate in preparation for the 2018/19 budget process, beginning in the autumn of this year, most likely at your August meeting. At that time, committee should be in a position to take a decision as to which measures might be introduced to mitigate the loss of funding of £430,000 pa for recycling.

JOHN C HEAP
DIRECTOR OF COMMUNITY SERVICES

For further information, please contact John Heap 01200 414461

Community Services Committee 16.5.17 / JCH / IW

Questions tabled to LCC from the WCAs at the Lancashire Waste Management Meeting Wednesday 26th October 2016

With the withdrawal of Cost Sharing payment from April 2018 it is the WCAs understanding that this will apply to all the terms and conditions of the agreement. At that time the WCAs will look to introduce the least cost option in dealing with waste and recycling collections. To avoid confusion WCAs request LCC supply answers to the following 12 questions.

1. What are the options/arrangements being proposed by LCC for each WCA's waste (please detail all waste streams i.e. residual, recycling, garden waste etc.) pre and post CSA ending in April 2018? WCAs wish to know (1) if/where they will be directed to tip each waste stream, (2) what transport services will be provided (if any) and (3) operating days/hours of each site/facility.
2. To avoid confusion, can LCC advise each district which waste streams LCC will be directing WCAs to deliver e.g. kerbside, bring sites, bulkies, commercial waste, scrap skips etc. and clarify whether WCAs will be allowed to retain any of this waste to deal with themselves?
3. If LCC wish WCAs to retain certain/any household recycling waste, what is the value of the recycling credit that will be paid to WCAs from April 2018?
4. Will there be a garden waste gate fee payable if LCC wish to deal with the processing of garden waste and what is the value of this and the recycling credit to be paid if so?
5. For those WCAs that have a depot to bulk up recycling/residual waste, will LCC (if directing WCAs to deliver waste to their facilities) expect to utilise the depot and if so what payment will LCC make to WCAs for the use of such facility?
6. Does LCC intend to issue Powers of Direction to WCAs? If so, for which waste(s) and when?
7. After Cost Sharing ends, will there be any income sharing with WCAs from the sale of recycle?
8. Will LCC make any incentives payments to WCAs for reducing/preventing residual waste going to landfill/disposal, and/or reducing/preventing recycling/garden waste going for landfill/disposal after 1st April 2018?
9. Will LCC make any incentive payments to WCAs for maintaining/lowering contamination of mixed dry recycling when/if WCAs have to deliver this material to LCC after 1st April 2018?
10. Will LCC make any incentive payments to WCAs for maintaining the limit on residual waste to 280Lts per fortnight and any enforcement activities?
11. WCAs would like to request a detailed breakdown and justification of the Trade Waste disposal charge, in particular the admin charge and costs associated with any material going through a waste processing facility.

12. WCAs request a fundamental review of tipping away payments.

WCAs request LCC to provide a written 'open' response to each WCA on all questions within 3 weeks. If responses are not provided these questions will be tabled again at the LWP by (District members) on the 24th November 2016.