

North Tyneside Council Report to Cabinet Date: 10 December 2012

ITEM 6(c)
Title: Weekly Collection
Support Scheme – report
regarding acceptance and
allocation of grant
support from Department
of Communities and Local
Government

Portfolio(s): Transport and the
Environment

Cabinet Member(s): Councillor Ed
Hodson

Report from Directorate: Community Services

Report Author: Phil Scott, Head of Environmental Services (Tel: 0191 643 7295)

Wards affected: All Wards

PART 1

1.1 Purpose:

The purpose of this report is to enable Cabinet, in follow up to its decision of 13 August 2012 to authorise the preparation and submission of a final bid, to consider recommendations regarding the outcome of that bid to the Weekly Collection Support Scheme with regard to the acceptance and allocation of grant support from the Department of Communities and Local Government.

1.2 Recommendation(s):

It is recommended that Cabinet:

Approve acceptance of the funding of £3.355 million under the Weekly Collection Support Scheme and grant delegated authority to the Head of Environmental Services, in consultation with the Cabinet Member for Transport and the Environment and the Strategic Director of Finance and Resources, to use the funding allocated under the Scheme as detailed in the final bid.

1.3 Forward plan:

The report is identified in the Forward Plan for the period 17 October 2012 – 28 February 2013.

1.4 Council plan and policy framework

This report relates to the 2012 – 2015 Council Strategic Plan, Priority 1: Sustaining our front line Council services within the Council, but only spending what we can afford.

1.5 Information:

1.5.1 Weekly Collection Support Scheme Fund

The Weekly Collection Support Scheme is a three year fund, administered by the Department of Communities and Local Government, from 2012/13 to 2014/15 but with a single round of bidding. The spend profile is up to £250m over three years: £50m in year one, and £100m in each of years two and three. At the outline bid stage the scheme was 100% oversubscribed by value.

1.5.2 The scheme will award funding over the three years as outlined above but only to local authorities that commit to weekly collections for a minimum of five years from 2012/13.

1.5.3 Local Authorities that successfully bid for funding will be offered a Section 31 (Local Government Act 2003) grant payment that they can use for either revenue or capital expenditure.

1.5.4 At its meeting on 13 August 2012 Cabinet granted delegated authority to the Head of Environmental Services, in consultation with the Cabinet Member for Transport and the Environment and the Strategic Director of Finance and Resources, to prepare and submit a final bid to on behalf of the Council to the Weekly Collection Support Scheme.

1.5.5 North Tyneside Council's bid to the Weekly Collection Support Scheme

The final bid submitted to the Weekly Collection Support Scheme was for £3.36 million of additional funding.

1.5.6 The bid included a four pronged approach to sustaining a weekly refuse collection service and improving recycling in the borough. The four strands support a range of mutually supportive weekly collection and recycling activities across the borough, as set out in the Table below.

Strand	Amount £m			
	Year 1 12/13	Year 2 13/14	Year 3 14/15	Total
Retaining weekly collections – 'bridging the gap'	0.72	0.73	0.74	2.19
Harmonising weekly collections across the Borough		0.15	0.15	0.30
Delivering an incentives and awareness campaign		0.52	0.22	0.74
Increasing the number of 'recycling on the go' bins across the Borough. Buying a specialist vehicle for -....		0.13	0.00	0.13
Total	£0.72m	£1.53m	£1.11m	£3.36m

- **Retaining weekly collections – 'bridging the gap' - £2.19m**

Support available for each of the five years committed to equates to around £0.4m per annum. This funding will support the Council in bridging this gap and allow the Council to commit to maintaining a weekly collection of residual waste and food waste for the next five years, including the budget growth needed to accommodate for the anticipated new properties projected an additional 5,000 to be built in the Borough over that period .

- **Harmonising weekly collections across the Borough - £0.30m**
Replace non-standard bins and optimise the harmonised collections.
- **Delivering an incentives and awareness campaign - £0.74m**
Deliver a wide ranging and holistic waste and carbon reduction campaign that will influence a spectrum of behaviours and provide rewards for positive action throughout each of the three years of funding.
- **Increasing the number of ‘recycling on the go’ bins across the Borough and buying a specialist vehicle - £ 0.13m**
Convert 675 litter bins to include recycle bins and buy a vehicle which will be able to empty all street bin types at the same time, making the collections more efficient and environmentally sustainable.

1.5.7 Outcomes and expenditure

To deliver the outcomes above the funding will be used:

- To pay for the additional vehicles and staff needed to collect waste weekly, over and above the resources that would have been needed if the Council opted to go to Alternate Weekly Collections.
- To provide replacement bins so that those residents who currently experience a disproportionate amount of disruption will have standard rubbish bins. All collections will be able to be optimised, providing long-term savings from this investment.
- To invest in incentives, awareness and education to provide long-term savings as the outcome should be reduced waste and increased recycling, saving money and reducing the Council’s carbon footprint.
- To invest in ‘recycling-on-the-go’ to increase recycling and provide disposal savings. The use of a specialist vehicle will also deliver further service efficiencies.

The Table below provides a summary of the main areas of expenditure per year of funding, and for the five years committed to for weekly collection.

	Amount £					
	Year 1	Year 2	Year 3	Year 4	Year 5	Totals
Retain weekly collection vehicles	195,000	195,000	195,000	195,000	195,000	£975,000
Retain weekly collection staffing	210,000	210,000	210,000	210,000	210,000	£1,050,000
Other vehicles		168,980	40,150			£209,130
Other staffing		111,164	107,964			£219,128
New rubbish and recycling bins	35,007	508,840	212,736			£756,583
Additional disposal costs	8,924	40,552	62,083			£111,559
Other (e.g. Personal Protective Equipment, livery)	0	20,626	13,376			£34,002
Total	£448,931	£1,255,162	£841,309	£405,000	£405,000	£3,355,402

1.5.8 Sustainability

Vehicle and staffing costs to deliver the 'recycling-on-the-go' will be sustainable as the specialist vehicle and additional recycling bins should enable the materials to be collected more efficiently so that from Year 3 onward the costs would be covered by the existing budget.

The new rubbish and recycling bins will be a capital asset and their replacement should be covered by the existing budget and savings from recycling more and therefore reducing disposal costs.

Similarly any additional disposal costs and other items should be covered beyond year 3 through reduced rubbish disposal costs arising from the waste minimisation campaign and increased recycling.

There will remain an issue over the affordability of the weekly collection of rubbish after five years when no further support is available. Full commitment to the incentives and education campaigns and investment in recycling infrastructure could make even this additional expenditure sustainable, provided all savings arising from these investments are ring-fenced to cover these additional collection costs.

1.6 Decision options:

The following options are available for consideration by Cabinet:

1.6.1 Option 1 (recommended)

Approve acceptance of the funding and grant delegated authority to the Head of Environmental Services, in consultation with the Cabinet Member for Transport and the Environment and the Strategic Director of Finance and Resources, to use the funding allocated under the Weekly Collection Support Scheme as detailed in the final bid and as outlined above.

1.6.2 Option 2

Do not grant approval to accept the funding.

1.7 Reasons for recommended option:

Option 1 is the recommended option as this will ensure the continuation of weekly rubbish collections for the next five years and deliver investment in the waste service that should make the outcomes sustainable beyond the three years of funding.

1.8 Appendices:

Appendix 1: Offer letter from Department of Communities and Local Government dated 22 November 2012

1.9 Contact officers:

Phil Scott, Head of Environmental Services. Tel: (0191) 643 7295

Catherine Lyons, Senior Manager, Waste and Environmental Sustainability. Tel: (0191) 643 7780

Alison Campbell, Finance Business Manager. Tel: (0191) 643 7038

James Roff, Partnerships Manager. Tel: (0191) 643 5857

1.10 Background information:

(1) Cabinet report 13 August 2012, Weekly Collection Support Scheme

http://www.northtyneside.gov.uk/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=536839

(2) North Tyneside's Final Bid for funding to the Weekly Collection Support Scheme

http://october.northtyneside.gov.uk:7778/pls/portal/NTC_PSCM.PSCM_Web.download?p_ID=540434

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

2.1.1 The award from the Weekly Collection Support Scheme is for £3.355 million of additional funding.

2.1.2 Support from the bid will relieve existing budgetary pressures in year one (2012/13) and going forward. The Council will use the grant funding to support the additional costs it faces from retaining a weekly refuse collection service, from increasing opportunities to recycle and from North Tyneside being a growing borough with consequent increase in the number of households.

2.1.3 The project has been profiled to deliver the majority of the project expenditure in years two and three. This provides sustainable service improvement through improved recycling on the go, collection infrastructure improvements and community development work.

2.1.4 Savings arising from activity delivered through the bid, e.g. increases in recycling and efficiencies in collection services will be reinvested in the service and will ensure a weekly collection service will be sustainable for five years, as required by the grant award.

2.1.5 Payments from the Scheme are in the form of a Section 31 (Local Government Act 2003) grant payment which is not ring-fenced. This kind of grant payment allows local authorities greater flexibility in how they provide services to their residents. DCLG have no mechanism to claw back funding awarded under this Scheme in-year. However, in order to minimise risk, funding will only be paid one year at a time.

2.2 Legal

Payments in respect of the Weekly Collection Support Scheme will be in the form of a Section 31 Local Government Act 2003 grant payment as outlined above. Any breach of grant conditions could potentially result in claw back or grant or withholding of future years' grant. Legal advice will be provided as appropriate as projects are developed or progressed.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Briefings have been provided to the Mayor, Lead Cabinet Member and other members of Cabinet on the bid process and the possible range of actions that could meet the bid criteria. The Final Bid projects were shaped by this consultation.

2.3.2 External Consultation

External consultation on the proposals has been carried out including through the following events:

Council House tenants event	13/03/12
North Shields Area Forum	22/03/12
Presentation at Tynemouth Village	27/03/12
Questionnaire re proposals in the bid – website from	02/04/12 – 3/05/12
North Shields Housing Forum	04/04/12
Residents panel discussion	12/04/12
Voice your Choice Events	22-26/10/12

Initial feedback indicates that residents are keen to take up additional routes and capacity for recycling. The feedback was less supportive about rewarding those who are already recycling as they thought it was something that responsible householders should already be doing. Research and our own experience has shown that incentive and reward schemes can nonetheless be very effective in capturing more recyclable material.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

There are no equality and diversity implications directly arising from this report.

2.6 Risk management

There are no risk management implications directly arising from this report.

2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

2.8 Environment and sustainability

2.8.1 Delivering the improvements detailed over the five years of the projects will prevent the generation of **81,600 tonnes of CO₂e**. CO₂ equivalent (CO₂e) is the standard measure used by government (as defined by the Department of Energy and Climate Change) to measure the carbon impact of a service or action.

2.8.2 Weekly refuse collection will ensure a sustained focus on recycling is maintained. Contamination of kerbside recycling bins will remain at the current very low level of 1%, maximising the recycling of collected material. With fortnightly collection, contamination rates, i.e. the amount of non-recyclable material put into a recycling bin, are regularly between 12-15%, equivalent to reducing our recycling by 4,000 tonnes over 5 years.

2.8.3 With support from the grant we will have the resources to ensure all properties are provided with the appropriate bins and caddies, with the aim of achieving 50% recycling and enable us to complete a route and round optimisation project with projected savings on fuel and CO₂.

2.8.4 Buying and siting 675 more 'recycling on the go' bins and using a specialist vehicle able to empty all street bin types at the same time will increase the amount of recycling collected by 4,000 tonnes over the five years.

2.8.5 Delivering an awareness and rewards campaign in conjunction with the other strands above will result in less waste overall being generated in North Tyneside. The aim is to absorb the increase in waste arising from an additional 5,000 properties, equivalent to a reduction of 4,805 tonnes of waste annually, and continue the downward trend in household waste of 1% per annum, reducing waste arising by a further 2,675 tonnes. The campaign will also ensure more of the waste that does arise is recycled, up to 50% by the end of year 5. This “Watch your Waste” campaign will be part of a wide ranging and holistic “Watch Your Step” carbon reduction campaign that will influence a spectrum of behaviours.

PART 3 - SIGN OFF

- Chief Executive X
- Strategic Director(s) X
- Mayor/Cabinet Member(s) X
- Chief Finance Officer X
- Monitoring Officer X
- Strategic Manager for Policy and Partnerships X



Department for
Communities and
Local Government

22nd November 2012

Shehla Husain

*Department for Communities and Local
Government*

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Catherine Lyons
North Tyneside Council

Dear Catherine Lyons,

Weekly Collection Support Scheme Final Bid

Name of Bid: A sustainable approach to retaining weekly refuse collections in North Tyneside

Thank you for submitting a bid to the Weekly Collection Support Scheme (WCSS). We are writing to inform you that your bid has been successful.

We are delighted to offer you £3,355,000 according to the profile set out in the table below:

2012/13	2013/14	2014/15	Total
£719,000	£1,525,000	£1,111,000	£3,355,000

Please note that funding is conditional on the satisfactory and timely provision of evidence that you have council support for your bid (e.g. relevant Council meeting minutes; email from Council Leader etc) and setting out of how you intend to promote your commitment to weekly collections for (a minimum of) five years to your residents. For example, this could be via an authority's website, in waste and recycling collections literature for householders, or as a statement in the authority's annual report/accounts.

If the Department is not satisfied that these conditions have been achieved then there is a possibility that funding may be withheld. As outlined in the WCSS Prospectus, the Department reserves the right to request additional information year on year on how funds will be spent.

If you would like to accept this offer of funding, subject to the terms and conditions outlined above, then please confirm your decision by emailing the WCSS Team at WeeklyCollectionSupportScheme@communities.gsi.gov.uk by 5pm on the 30th of November. If you wish to decline this offer or have any queries then please also e-mail us by the 30th November. Upon receipt of acceptance we will then issue you with a formal offer letter with a Grant Determination for 2012/13 (if applicable to your bid).

Yours sincerely,
Shehla Husain